

JPRS 69985

18 October 1977

USA: ECONOMICS, POLITICS, IDEOLOGY
No. 9, SEPTEMBER 1977

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

Reproduced From
Best Available Copy

U. S. JOINT PUBLICATIONS RESEARCH SERVICE

20000329 106

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22151. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

BIBLIOGRAPHIC DATA SHEET		1. Report No. JPRS 69985	2.	3. Recipient's Accession No.
4. Title and Subtitle USA: ECONOMICS, POLITICS, IDEOLOGY No. 9, September 1977			5. Report Date 18 October 1977	6.
7. Author(s)			8. Performing Organization Rept. No.	
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			10. Project/Task/Work Unit No.	11. Contract/Grant No.
12. Sponsoring Organization Name and Address As above			13. Type of Report & Period Covered	14.
15. Supplementary Notes Translation of the monthly, SShA: EKONOMIKA, POLITIKA, IDEOLOGIYA, published by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, Moscow.				
16. Abstracts The report contains articles by Soviet public figures, Americanologists, and others, on Soviet-American relations and on political, military, economic, scientific, technological, and other aspects of life in the United States and Canada.				
17. Key Words and Document Analysis. 17a. Descriptors Political Science Sociology Economics Geography Propaganda				
17b. Identifiers/Open-Ended Terms				
REPRODUCED BY NATIONAL TECHNICAL INFORMATION SERVICE U.S. DEPARTMENT OF COMMERCE SPRINGFIELD, VA. 22161				
17c. COSATI Field/Group 5D, 5K, 5C		19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 103	
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22151		20. Security Class (This Page) UNCLASSIFIED	22. Price 98	

JPRS 69985

18 October 1977

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 9, September 1977

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences

CONTENTS	PAGE
Great October and the U.S. Ruling Elite (N. N. Yakovlev).....	1
State Monopoly Regulation in Energy--Problems and Prospects (Yu. I. Rigin).....	18
Sources and Aims of 'Trilateral' Strategy (N. D. Turkatenko).....	20
Broadcasting in the United States (N. A. Golyadkin).....	35
'Special Partnership'--Illusions and Reality (T. V. Oberemko).....	37
Mid-Year Economic Situation (Ye. F. Zhukov).....	43
Electricity in the U.S. Economy in the Year 2000 (O. V. Yurygin).....	50
'Our Work Serves Peace' (Allen H. Kassof Interview).....	52
Inter-University Ties (R. V. Khokhlov, et al. Interview).....	57

CONTENTS (Continued)

Page

Books Reviews

Working Class and Bourgeois Ideology (Ya. N. Keremetskiy)	61
Contradictory Recommendations (V. S. Guseva)	64
Multinationals: Their Strategy and Positions (A. B. Klyuyev)	68
Ecology and International Relations (G. S. Khozin)	72
Detente and the Ideological Struggle (V. F. Petrovskiy)	74
Unsolved Problems (I. A. Kedrenovskaya)	77
Current Issues in U.S. Defense Policy*	79
Economics and Technology of Recycling Waste Materials (V. I. Sokolov)	80
United States National Security Council (A. I. Filatov)	82
Presidents of the United States	95

* Not translated by JPRS

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS,
IDEOLOGY, No 9, September 1977

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : V. M. Berezhkov

Publishing House : Izdatel'stvo "Nauka"

Place of Publication : Moscow

Date of Publication : September 1977

Signed to press : 11 August 1977

Copies : 34,000

COPYRIGHT : Izdatel'stvo "Nauka", "SSHA -
ekonomika, politika, ideologiya", 1977

GREAT OCTOBER AND THE U.S. RULING ELITE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77 pp 3-15

[Article by N. N. Yakovlev]

[Test] In 1917, Great October evoked a furious class reaction in the American ruling elite. State Department officials did not have the slightest doubt that the Soviet authorities, who denied the right to private property, "could not be tolerated"¹ and that the Soviet Government, for this reason alone, would not be recognized by the United States. This was the tone of Washington's first official statement on 9 November 1917.

The situation was aggravated by a memorandum issued by the People's Commissariat of Foreign Affairs on 21 November 1917, announcing the founding of a Soviet Government headed by V. I. Lenin and proposing an immediate truce and the commencement of peace talks. Russia, unto which the Entente powers had loaded most of the burden of military actions against the middle empires, was withdrawing from the war and was calling upon others to follow its example. And this was at a time when the United States, which had declared war against Germany in April 1917, was just on the point of sending an expeditionary army to Europe! The Bolshevik Party was saving the people of Russia from continued extermination in the imperialist war and was leading the nation out of firing range. The refusal of Russia's allies to agree to a truce would force them to shoulder the entire burden of the battle against an even stronger and more stubborn opponent.

Washington began an agonizing search: How could it reconcile its essential hostility toward the Soviet authorities with the need to keep Russia in the war? Attempts were made to solve this problem for which there was no solution. From the first days of the Soviet State's existence, official and unofficial representatives of the United States in Russia were up to their ears in criminal activity, supporting counterrevolutionary forces in every way possible. But no matter how much the claims of advocates of the old regime were exaggerated, the position of the Soviet Government became stronger with each day. Consequently, whether they wanted to or not, those who wished to use Russia's resources in the war had to make contact with the Soviet authorities they despised for class reasons.

With military candor, the American representative at Russian Army headquarters took a chop at the Gordian knot by offering Ensign N. V. Krylenko, Soviet commander-in-chief, 100 rubles for each Russian soldier sent to the front in the "higher interests of civilization." The ludicrous nature of this proposition was obvious.

The horrifying clumsiness of Washington's official diplomatic moves created a political vacuum in the relations with Soviet Russia, which was hurriedly filled by those who were on the spot--representatives of the American business community. They had crowded into the nation during the interregnum of the Provisional Government, hoping to be the first to exploit the vast markets of bourgeois Russia.

Since August 1917, there had been an American Red Cross mission in Russia with an unusual membership. Only 5 of the 24 members were medical personnel, while the rest represented large monopolies. The mission was maintained and headed by W. Thompson, financial magnate and director of the Federal Reserve Bank of New York. Beneath the army uniforms of the mission members beat the hearts of heavy-handed wheeler-dealers instead of soldiers. They were eyewitnesses to the revolution and, as realists to the core, understood that there could be no return to the past in Russia. It would be necessary to establish relations with those who were in power and had the support of the people. While an idiotically simple explanation of Great October was gathering strength in the far-off capitals of the Entente powers and the United States--sly German agents were at work and they were calling the shots in Russia--Thompson and his colleagues denied these stupid conjectures and insisted that a people's revolution had taken place.

In the beginning of December 1917, Thompson gave up his work with the mission and returned to the United States. On the way to his native land, he stopped in London and had a lengthy conversation with British Prime Minister D. Lloyd George. When Lloyd George told his war ministers about his meeting with Thompson, he stressed the fact that his visitor had shared impressions with him that differed from common Western beliefs. The Bolsheviks were "not on the payroll of the Germans," "the revolutionary cause was firm" and V. I. Lenin looked like "a highly respectable professor." According to Thompson, the allies would have to understand that the Russian Army and people had withdrawn from the war and the allies would have to choose between a friendly Russia or a "hostile neutral power." The rich American proposed a decisive change in the policy of the Entente powers and the United States in regard to Soviet Russia on the basis of the actual facts. The suggestions he made in London did not have any serious consequences.

After he had returned to the United States, Thompson made several speeches in favor of the recognition of the Soviet Government. Speaking in New York in January 1918, he compared the establishment of Soviet power to the well-known American mythology about the settling of the West. At that time,

rudimentary "governments" sprang up in the remote territories and later became part of the United States. Although Thompson spoke in reference to a far-removed historical perspective, the essence of his appeal was indisputable. "These people" (the ones who have founded these "governments"--N. Ya.), he said, "would have hesitated for long before giving their complete support to, and expressing their sympathy for, the government of the Russian workers, since in 1849 and in subsequent years we had Bolshevik governments (in the West) and, I must say, they were superb governments."² These speeches did not have any results either. Thompson's Wall Street friends, his biographer says, were "shocked" and "said that he had lost his head and become a Bolshevik himself."³ A very bold assumption.

The actual situation was much simpler; it is made evident by a memorandum Thompson left behind in London for the purpose of teaching Lloyd George a thing or two. The document begins with the following words: "The game has been lost in Russia, and the nation is completely open to unimpeded German exploitation." The memorandum ends with the firm statement: "I am convinced that intelligent and courageous efforts can still prevent Germany from seizing this sphere of activity and exploiting Russia to the detriment of the allies." Thompson's associates, who had remained in Russia, boldly took it upon themselves to prevent this "danger." In 1918, there were three unofficial representatives in Soviet Russia--R. Robins, an American, B. Lockhart, an Englishman, and J. Sadoul, a Frenchman. They attempted to sound out the intentions of the Soviet Government, and Robins, acting at his own risk and responsibility, suggested various plans to Washington for the establishment of relations and the organization of cooperation with Moscow. Ambassadors Francis and Buchanan maintained a stony and calm exterior.

Albert Rhys Williams, the Russian translation of whose book was prefaced by a passionate introduction by Boris Polevoy, aptly entitled "Our Old Friend,"⁴ wrote about Robins' actions with profound understanding, "Robins, just as his Red Cross mission colleague, Colonel Thompson, represented the economically endowed strata.... Outside of the stifling and exclusive atmosphere of the embassy and other official institutions, in direct contact with the suffering and needs of the Russian people...these two men were able in a certain sense to rise above the limitations and arrogance of their class and their national origins."⁵

Robins selflessly devoted himself to the task of ensuring concerted action by Germany's opponents in Soviet Russia. Unsuccessfully trying to convert B. Lockhart (professional English intelligence officer) to his beliefs, Robins told him in a mock-serious tone: "Let us say that I am here to conquer Russia for Wall Street and American businessmen. Let us say that you are a British wolf and I am an America wolf and, when the war ends, we will fight one another for the Russian market, naturally in an honest and manly way, but let us also say that we are intelligent wolves and we know that if we do not hunt together now, the German wolf will devour us both. This is why we should work together."⁶

Robins maintained close contacts with the Soviet Government and had several conversations with V. I. Lenin. He was an eye-witness to the irreversible progression of the revolution and constantly requested Washington to quickly recognize Soviet Russia in the interests of America. On 23 January 1918, for example, he sent a telegraph to Thompson in the United States: "The Soviet Government is stronger now than ever before.... No words are strong enough to emphasize the need for the immediate recognition of the Bolshevik authorities."⁷ Above all, Robins insisted on the establishment of strong economic ties between the United States and Soviet Russia. This was also of vital interest to our nation, which had to quickly set the economy back on its feet and eradicate the severe after-effects of war. Before his return to the United States, Robins received a plan for the development of Soviet-American relations. In this plan, possible exports to the United States were already estimated at 3 billion rubles in 1918. The plan, which was drawn up by the Foreign Trade Commission of the Supreme Council of the National Economy, was of an extremely concrete nature. It was brought to the attention of President Wilson, but no action was taken on it.

When he left Soviet Russia, Robins expressed his "sincere gratitude" in a letter to V. I. Lenin for the "cooperation and courtesy" he had been given when he was working for the Red Cross mission and also emphasized the following: "Your prophetic insight and brilliant leadership have strengthened Soviet authority throughout Russia, and I am certain that this new constructive organ of the democratic way of life will inspire people and promote the cause of freedom throughout the world." V. I. Lenin responded in the spirit of Robins' letter on 30 April 1918: "I am extremely grateful for your letter. I am certain that the new democracy, which is a proletarian democracy, is maturing in all nations and will shatter all obstacles and the imperialist capitalist system in the new and old world."⁸ In this way, the results of R. Robins' work in Soviet Russia were summed up by one of Lenin's insights.

In their native land, R. Robins and his friend A. Williams talked about what they had seen in Soviet Russia. In 1919, Williams testified before a Senate subcommittee investigating "Bolshevik propaganda." "The record of his testimony cannot be read now without a feeling of excitement...," wrote B. Polevoy. "What dignity, what faith in the Great Socialist Revolution, what respect for the Soviet people permeate his words.... In summarizing his testimony, Williams flung the following passionate words at the senators: 'I have faith in Soviet power as a great creative force that meets the needs of the Russian people.'"⁹

Williams favored the recognition of Soviet Russia, thoroughly explaining the reasons for his views to the senators, and he did this in the very lair of the extreme reactionary forces of that time. He even condescended to list the arguments that would have the greatest effect on them: Soviet Russia, he said, would not be able to compete with the United States for many years. "This is a good argument from the capitalist standpoint,"¹⁰ Williams added. But these arguments and other similar appeals to the animal instincts of the American business community were not successful. In the eyes of the

American rulers, Great October was an incident during which class interests overwhelmed the craving for profit. One of the bases of capitalism had been destroyed in Russia. In order to preserve the entire structure of international capital, Washington hurriedly set an example by punishing the dare-devils who had dared to encroach upon the sacred institution of private property. After a few months of confusion, this became Washington's clearly defined official course.

All of American President Woodrow Wilson's experience, views and temperament prepared him to mercilessly implement this kind of course. In a certain sense, the triumph of the people in Russia under the guidance of the Bolshevik Party complied with W. Wilson's ambitions--after all, he had been warning people about the coming revolution for decades. Now it had raised its head abroad and he could survey it with satisfaction. The White House had insisted on a program of reforms, which was given an impressive and unfounded title: the "new freedom." Lowering the revolutionary temperature in the nation, he led the United States toward this. But his class confreres in Russia had been blind and the powerful winds of revolution had blown them away. This meant that the capitalist world had to arm itself and suppress this revolution, Wilson concluded. This would manifest international capitalist solidarity.

This decision, which led to armed intervention by the Entente powers and the United States against Soviet Russia was naturally not the American president's personal accomplishment; it expressed the concentrated will of the leaders of international capital. It was completely dictated by class motives. All of this is just as indisputable as the fact that the futility of the course chosen at that time by Washington is obvious from the vantage point of the present day.

American historians are still intrigued by the reasons for the president's actions. Why did this professor, whose principal profession had made him well aware of the broad spectrum of the revolutionary challenge, counter it with only one weapon at first--brute force. Naturally, part of this was due to the personal qualities of this man who had unlimited power in the leading imperialist nation because of his military authority. His contemporaries have left us unpleasant descriptions of this man. One of the president's greatest admirers, W. White, sadly admitted: "When we met, he thrust his hand at me, which felt like a five-cent mackerel--cold, hard, wet and lifeless, stretched out as if a vendor had carelessly thrown a fish on the counter, waiting for a large purchase. He smiled. I evidently looked at the wrong side of his face and received an absolutely vivid impression: Before me stood a reptile, the essential feature of this man was treachery."¹¹

F. Frankfurter, who worked closely with Wilson and later had a brilliant career in the official circles of the capital, sadly said in his later years: "Wilson was cold and intolerant, he essentially did not like people. He believed in democracy in the abstract but was completely indifferent to the

people. Precisely in this way! with the greatest composure, he would have chopped off their heads."¹² Frankfurter was referring to the American people; What does this say about the value the professor-president placed on the people of other nations?

By the mid-20th century, American historians began to conclude more and more that the relations between the United States and the USSR could be correctly understood merely through an evaluation of the mark left on them by Wilson. In any case, this is the view of the latest trend in American historical accounts of foreign policy, the so-called revisionist trend. Its founder, Professor W. Williams, has given us an impressive analysis of the underlying causes of Wilson's policies in his works, which have considerably influenced the historical community in the United States: "American-Russian relations: 1781-1947" (1952) and "The Tragedy of American Diplomacy" (1958). As interpreted by J. Siracusa, American researcher of this trend, Williams' line of reasoning can be summarized in the following way: "According to the model of U.S. foreign policy proposed by Williams, the key to an understanding of American-Soviet diplomacy of the mid-20th century lies in the initial reaction of the American leaders to the Bolshevik Revolution. The most important fact is that, from the very beginning, Washington's reaction to Lenin's seizure of power was a mixture of hostility and the absence of any real knowledge about these events.

"The policy that was ultimately worked out," writes Williams, "was based partly on the assumption that Lenin would miraculously disappear and that the Soviet Government would collapse because it had to collapse." Who was responsible for this policy, which virtually excluded the possibility of Soviet-American cooperation until events beyond the two countries' control brought them together in 1941, while the American recognition of Russia in 1933 was no more than a bid for markets? Williams believes that most of the blame should be laid on Secretary of State Robert Lansing and President Woodrow Wilson.... Nothing else could have been expected from Lansing, Williams states. President Wilson followed Lansing's lead, even though he could have chosen a better policy. "The tragedy of Wilson's failure," Williams points out, "consisted in his recognition and realization of the fact that the soviets represented a desperate attempt by the downtrodden to assume their rightful place in the industrial civilization." Wilson's "keen intellect was first dulled and then clouded by his antagonism toward the soviets and his conscious desire for greater American influence abroad." As a result, Williams writes, the president "decided to ally himself with the Entente's intervention in Russia for the purpose of overthrowing the Bolsheviks."

There is no question that Williams and his associates in the American historical community condemn Wilson's policy in regard to Soviet Russia, and they do not condemn it for effect. "What should Wilson have done?" Siracusa continues. "Williams says that he should have followed the recommendations of Robins, who favored the recognition of the Soviet Government and the rendering of assistance to this government for the purpose of reviving the

Eastern Front, which would simultaneously establish the bases for more extensive American-Soviet economic relations, and this, in turn, would establish the prerequisites for future interrelations."¹³ Williams sees no other alternative.

Let us now move from these later interpretations back to the events of those years. Wilson made use of a great variety of tricks to solve the "Russian problem" to his satisfaction. Groups then close to the White House joked that the president had been born between the Bible and the dictionary and, therefore, had profound faith in the power of the word. He demonstrated this when he proposed his notorious "Fourteen Points" for the postwar enforcement of peace on 8 January 1918 in response to the Soviet peace program. The world was deluged by more than 60 million leaflets and brochures propagandizing Wilson's brilliant idea.¹⁴

The president's words about some kind of affection for Russia melted on contact with reality. Since statements were constantly being made in the Entente nations and in the United States about their desire to "save" the Russian people from German militarism but the danger of the invasion of our nation by the Kaiser's hordes was still present, the Soviet Government requested Robins on 5 March 1918 to learn what kind of aid could be expected from the United States and the Entente powers in the event of such an invasion. There was no response, unless we count the message sent by Wilson to the Fourth Congress of Soviets, his futile attempt to nullify the Brest-Litovsk Treaty and to send Soviet Russia back to war with the middle empires.

The "I" was soon dotted by Francis, the American ambassador to Russia, who paraphrased Wilson's message to the Soviet Congress and passed it on to the press in the following form on 19 March 1918: "If the brave and patriotic Russian population will put all of its political dissension aside for a while and begin to act decisively and energetically, it will be able to force the enemy to vacate all of the captured territories and will win lasting peace for itself and for all other fighters by the close of 1918. My government still regards America as Russia's ally, and we are prepared to support any government wishing to put up a strong fight against the German invaders."¹⁵ Francis expressed Washington's fondest desire--to see a government in Russia that would once again force the Russian people to assume the burden of war, thereby making the coming battles easier for the United States. In America, which had lost 162 lives on the front by that time, the appeal made by Wilson and Francis was regarded as a demonstration of their love for mankind. But the Russian people had already been forced to offer up 1.8 million lives on the altar of imperialist war.

As soon as it became clear that words had little effect on Russia, Wilson reinforced them by deeds: U.S. participation in anti-Soviet intervention began. Although the invasion of Soviet Russia by the intervention forces had an overtly class goal--to take power away from the workers and peasants--

there was another motive prior to the armistice in the West on 11 November 1918--the desire to reestablish the Eastern Front. At first, this lent an air of propriety to certain improper actions. The allies were supposed to be fighting against the "German agents" who had torn Russia away from the united front of "civilized nations" warring with the "Huns." Wilson personally sanctioned the spreading of slanderous rumors and took the most active part in the organization of anti-Bolshevik propaganda. The persons responsible for all of this were not some kind of entities vaguely called "reactionary forces," but the individuals occupying the White House and State Department.

The ideological struggle against communist ideals was carried out on a broad scale and was efficiently organized with the use of genuinely American business techniques. A government agency serving the needs of the war--the Bureau of Public Information--received a pile of "documents" from its representative in Russia, E. Sisson; in these documents, an attempt was made to prove that the soviets in Russia were an instrument of the German Kaiser. Sisson and the British intelligence service spent a tidy sum to acquire these "documents" from White Army officers. Since he was a scholar, Wilson instructed certain persons to verify the authenticity of the materials. The persons he appointed were expected to come up with conclusions that could be authoritative in Washington's view. The American Historical Association was given the job. Two venerable professors, F. Jameson and S. Harper, concluded: "We have subjected the documents to thorough examination with the aid of all of the means traditionally used by historians...and on the basis of our examination we can say without the slightest hesitation that there is no reason to doubt the authenticity of these documents."¹⁶

Harper, who was unanimously recognized as the leading American expert on Russia at that time, regretted this statement for the rest of his life. His memoirs, which were written at the end of the 1930's and were published posthumously in a limited edition in 1969, reflect great pangs of conscience. In reference to his work with Jameson, he states that both of them were prepared to admit that the "Sisson documents" did not prove that Russia's withdrawal from the war as a result of the revolution "objectively aided the enemy from the military standpoint." "But we were told," he adds, "that this kind of announcement would not help in creating the emotional pitch needed for the mobilization of all our resources for war (Against whom? The "documents" were made public in October 1918, a week before Germany's defeat--N. Ya.). We did, however, adhere to our position, as can be seen from our introduction to the brochure (a quote from this is presented above--N. Ya.), but the prevalent opinion at that time was that we had recognized the authenticity of all of the documents without any doubts whatsoever. In addition to this, Sisson's conclusions about the content of these documents were also ascribed to us. All of this greatly disturbed me at that time. But when a nation is at war, a scholar who is requested by his government to make use of his knowledge for military purposes frequently finds it necessary to serve two masters and it is difficult for him to properly defend himself."¹⁷

Sisson's sensational discoveries, which were sanctified by the authority of professional American historians, evoked the liveliest interest in the West. For many years, the "Sisson Documents" set the guidelines for anti-Soviet propaganda. And for many years, all attempts to subject the original copies to an objective study were unsuccessful. When Wilson had possession of them, he coldly informed the curious that they were necessary to him for their "proper use." The "documents" later vanished without a trace and were not found again until 1952. When all of the White House safes were being cleaned out in anticipation of President Truman's occupancy, a bundle of yellowed papers was taken out of one of them. The "Sisson Documents"! G. Kennan, the former U.S. ambassador to Moscow who is now a professor, was striving to make a name for himself as a historian at precisely that time. He subjected the "documents" to the most scrupulous examination and categorically announced that the entire collection was a fake from start to finish and, besides this, that the forgery was sometimes of a highly primitive nature. He wrote a long article on this subject in 1956.¹⁸ The question had been settled....

The use of forged documents on the level of government policy was an unprecedented event in itself. The other side of the coin was just as ugly: While Washington was filling the Americans with wild ideas about the Bolsheviks, it was also taking stern measures to keep the truth about Soviet Russia out of the United States. A department of Russian affairs was established in the State Department and was made responsible for the collection and proper interpretation of all information about our nation. The aforementioned Harper, who worked as a special advisor to the state department, wrote a lively description of the way in which a secret "Bolshevik room" was established as part of the U.S. diplomatic department for the storage of data on Soviet Russia.

As for the fact-finding methods, Harper has been more than eloquent in describing them. He relates, for example, that the State Department was extremely dissatisfied with the lack of zeal displayed by the American consul general in Helsinki, who was not sending the necessary information to Washington. An inspection committee was sent to Finland from Washington for an on-the-spot investigation of his work; in his defense, the consul general alleged that "several of his messengers, all Russian volunteers, had been captured and shot." "The censorship agencies of the small states in the 'Cordon Sanitaire' served as extremely useful channels," writes Harper, "through which the department of Russian affairs received many important published materials. Part of the Bolshevik propaganda abroad was made up of printed materials sent out of Moscow by the Bolsheviks to certain persons in America. This mail was intercepted by the authorities of the 'Cordon Sanitaire' states and was brought to the attention of the American Government. Washington charged them with the task of seizing the materials and sending them on to the State Department.... I must admit that this procedure greatly enriched the dossiers of the Russian department."

The State Department, naturally, put these materials to work by using them for propagandistic anthologies of an extremely anti-Soviet nature. Three of these were published between October 1919 and October 1920. "Some people," Harper notes, "objected to this activity by the State Department, and one of these was Walter Lippmann, who was then the editor of the NEW REPUBLIC magazine. As I recall, he was not objecting to the content of the publications, but to the fact that the State Department was competing with the press. He was told that he, as an editor, would not have been able to get hold of such documents due to the current conditions in Russia and that, for this reason, he should be grateful instead of complaining."¹⁹

The logic here is genuinely murderous and vividly describes "freedom of information" in the United States if even W. Lippmann, who was sometimes seen among those closest to the president, was not trusted with the Soviet publications that completely filled the secret "Bolshevik room" in the State Department. He, just as any other American, was free to obtain only that which had been prepared and misinterpreted by bureaucrats and the highly trusted professors who had been enlisted for government service.

By this time, intensive efforts were being made by military intelligence to establish extensive control over dissidents in the United States. In Washington, 1,000 people were put to work for the primary purpose of compiling "dossiers on Bolshevism." Political investigations raged throughout the nation. In the San Francisco area, for example, the military intelligence service secretly opened and read up to 100,000 letters a week. The American Defense League was founded to assist military intelligence services. It had up to 350,000 members and was "indisputably the largest private investigative organization in American history."²⁰

In the view of the American rulers, no precautionary measures were excessive. W. Lippmann and journalist C. Mers were justifiably concerned about the political innocence of the Americans. They wrote an extensive study on the way in which the NEW YORK TIMES had reported the news about the situation in Russia from March 1917 through March 1920. In their words, the newspaper "had mainly believed whatever it had been told by the State Department...and agents and adherents of the old regime scattered throughout Europe.... From the standpoint of professional journalism, the reportage of the Russian Revolution was completely bankrupt. Reports on major issues were almost always misleading." The articles on Soviet Russia were permeated by the desire to justify intervention and, "from the very moment that American troops stepped onto Russian land, the fundamental antagonism between the Soviet and American forms of government began to be emphasized." Moreover, the NEW YORK TIMES constantly tried to instigate struggle on a broader scale by announcing, for example, in its editorial of 13 December 1918: "If Russia was entered for a purpose, then why should it not be attained?" And this would necessitate the reinforcement of U.S. troops in Russia for the purpose of "chasing the Bolsheviks out of Petrograd and Moscow." All of this, in addition to everything else, was justified by the need to "protect"

the West from Bolshevism, as, for example, in a report dated 22 January 1920: "The military strategy of the Bolsheviks for the coming spring envisages a massive invasion of Poland as the first step in the planned red invasion of Europe and the diversionary military maneuver--an attack on India through Turkestan and Afghanistan."²¹

A dense curtain of lies covered up the United States' own participation in anti-Soviet intervention.

In the mid-1970's, the United States was shocked and amazed by Watergate and the pathological growth of executive power. The series of political scandals that shook Washington was connected with the latest intensification of the general capitalist crisis; under the new conditions of the existence of the two opposing systems, the traditional methods for the management of affairs in the bourgeois state are not working. This comes as no great revelation if we carefully study the history of the United States since 1917. The practical policy conducted by the Wilson Administration in regard to Soviet Russia did not correspond at all to the celebrated standards of bourgeois legality. In any case, the fight against the people's revolution in Russia was completely contrary to America's declared devotion to "human rights" and so forth. This was the reason for the public depiction of U.S. participation in anti-Soviet intervention in pastel tones.

General W. Graves, the commander of the American expeditionary corps in Siberia in 1918-1920 who repented his sins by the beginning of the 1930's, wrote the following in 1931 in a book whose title reflected its content-- "America's Siberian Adventure": "I personally think that this policy was conducted because no other line could have been adopted without necessitating the executive branch to contradict the Constitution of the United States by waging a war that had not been declared by Congress."²² This was the cruel war waged by the Entente powers and the United States in conjunction with the Russian counterrevolutionary forces against the young Soviet Republic.

According to S. Pichon, French minister of foreign affairs, there were 140,000 French, 190,000 Romanian, 140,000 English, 40,000 Italian, 140,000 Serbian and 200,000 Greek interventionist troops in Soviet Russia in May 1919. His count did not include the 150,000 Japanese soldiers and the 15,000-16,000 American soldiers. The scope of the intervention limited the effect of a factor that could not have been foreseen by its organizers. The soldiers did not want to fight against the Russian workers and peasants. Attempts to recruit volunteers failed for the same reason. Only 1,034 of 100,000 American soldiers surveyed expressed a desire to serve in Russia.

At the beginning of the revolutionary upsurge by which the world was engulfed after World War I, the ideals of Moscow turned out to be immeasurably stronger than the armed force of the intervention troops. These ideals caused politically aware proletarians in the capitalist world to wage a campaign against the intervention. For those who needed additional means of persuasion, the

way in which the American troops invaded North Russia could not fail to have its effect. The 5,500 American soldiers who landed in Arkhangelsk and Murmansk had lost 2,845 of their number in battles with the Red Army in less than a year after their inglorious evacuation.²³ In other words, the American contingent was cut approximately in half.

All of this determined and limited the scope of the armed strength flung at our nation by the imperialists. In short, they did not have enough soldiers to smother the cause of freedom, which was being defended by us, the Soviet people. The United States, the richest country in the capitalist world, tried to compensate for its shortage of material assistance in the form of men by any and all means of counterrevolution. A successful attempt, and probably the first, to determine the size of the United States' contribution to the civil war in Russia and the armed intervention was made by Soviet researcher G. N. Tsvetkov: "Even the most conservative summarization of all the data that has been published anywhere permits us to conclude that the U.S. Government, through its various representatives and through the ARA and other organizations, provided counterrevolutionary forces in Russia with loans, weapons and various types of military equipment worth a total of approximately 4 billion dollars during the years of the civil war."²⁴ No other nation in the Entente camp could have permitted itself to waste so much on a cause that was ultimately lost.

The direct participation of the United States in the anti-Soviet intervention is naturally not justified in contemporary American academic historical works, but attempts are being made to represent the presence of 15,000-16,000 armed soldiers from America on Soviet land as an insignificant fact at a time when multimillion-strong masses were fighting on both sides of the front. Moreover, the matter is depicted in such a way as to make it seem that most of the support given to the counterrevolutionary forces came from the Entente powers and not from the United States. There is no doubt that Professor G. Kennan engineered the most expert line of argument in this connection. Accusing the Soviet historians of exaggerating the role played by the United States in the fight against Soviet Russia, he offered the following statements as confirmation of this: "If the Bolsheviks actually do have any real grounds for complaints about the allied governments, these are not connected with the direct allied intervention, which was uncertain, indecisive and tragic, but with the military aid, particularly the arms and equipment, delivered to the Russian White Army officers. But it was the British Government that was chiefly to blame for this. An official announcement was made in London that total expenditures of these deliveries amounted to 100 million pounds sterling according to the exchange rate of that time. The communists are correct in their claim that these enormous sums were spent mainly for the purpose of overthrowing the Soviet authorities and, naturally, they can point to the failure of these efforts with satisfaction."²⁵

History has shown how the money of the English taxpayers turned into the blood of the Russian people, but there is no need to single out England for special accusations in this connection. According to the exchange rate of

that time, 100 million pounds sterling amounted to 500 million dollars, or approximately one-eighth of the amount wasted on anti-Soviet intervention by the United States. And there is one other important factor: England, crippled by the war, could hardly have allowed itself to spend such huge funds if it had not received loans from America. Besides this, everything in this world is interrelated and G. Kennan's statements apply to the Entente powers which sent their soldiers to Russia in spite of their recent severe losses in the confrontation with Germany.

The United States sent approximately one-tenth as many troops to Russia as did, for instance, Japan. This contingent, however, was large enough to, in W. Graves' words, win "the hatred of more than 90 percent of the Siberian population," since the American occupation forces committed "cruelties of such proportions that they will indisputably still be remembered and talked about by the Russian people 50 years later."²⁶ The facts are still facts: The United States took the side of those who were absolutely indifferent to "human rights." Moreover, the intervention of the Entente powers and the United States in the domestic affairs of Russia not only prolonged the civil war, but also made it particularly bitter.

From the time of Great October, the Russian East (within the context of our discussion--everything beyond the Volga) became the arena of various contradictory experiments with power by certain champions of a "third route" to revolution. The opponents of the Bolsheviks moved from one place to another, seizing power and forming their own "governments." The members of the Socialist Revolutionary Party, who headed these political structures, insisted that they could see better and further than all the rest. In their opinion, the civil war was not a confrontation between two antagonistic forces--the bourgeoisie and landowners against the proletariat and the poorest peasants; they felt that there were three forces. They gave the vague title of "democrats" to this "third force," a category to which they relegated an amorphous mass: peasants, craftsmen, petty merchants, small businessmen and the intelligentsia. According to their simple scheme, this mass had enormous potential: evidence of this could be found in the year of 1776 in North America! The members of the Socialist Revolutionary Party felt that they were the political representatives and leaders of these so-called "democrats" in Russia. Some of these self-proclaimed saviors of the Russian land formed a Directorate under the leadership of right-wing socialist revolutionary N. D. Avksent'yev at the end of September 1918 after prolonged argument and squabbling. Various announcements by the Directorate declared the founding of a government in Russia similar to the type that arose after the February Revolution of 1917, complete with the proper "democratic appendages," and called for a fight to the death against the Bolsheviks.

With inexpressible sorrow, the socialist revolutionaries recalled the debut of the Provisional Government in Russia in 1917--among the great powers, the first to recognize this government was the United States--and asked themselves: Have we not done everything possible and impossible by promising

to duplicate a Western "democracy," primarily of the North American variety, in Russia? This should mean, they thought, that the United States must take our side! After all, the Directorate had openly and shamelessly admitted the origin of its guiding light. And, after all, the Directorate had loyally submitted petitions to Wilson, one of which stated: "To the President of the Great North American Republic, recognized as a selfless apostle of peace and fraternity, we address our first appeal."²⁷

All of this was futile. These people never did realize that references to "democracy" were the worst recommendation for any kind of Western success in the civil war. And their spiritual connection with the Provisional Government of 1917, in which they probably took great pride, completely doomed their cause: they had declared themselves the new ideological heirs of the sorry bankrupts from the Winter Palace! The West had already come to the conclusion that the "center of the Russian revolution," the mandate of which was being shaken by its "founders," was a bottomless pit that would swallow up all active counterrevolutionary forces without a trace. Because of this, the over-praised (naturally, by themselves) overseas disciples of "human rights" could reduce the political alternatives in the civil war to a minimum and all of the diverse counterrevolutionary forces in the east of Russia were reduced to a common denominator--an authoritarian regime.

When the news of Great October became known, Kolchak was in the United States. When he was received and interrogated by Wilson and the highest American leaders, Kolchak probably did not conceal the fury he felt when he heard that the forces he hated and feared had taken over his motherland. We can imagine how he rushed about making threats--this weakling who was prone to fits of uncontrollable fury, this narcotics addict, this man with profoundly distorted ideas of Russian patriotism and the honor of an officer. After giving him a multitude of verbal promises of future assistance, the American and English leaders sent him to Russia.

On 18 November 1918, Kolchak accomplished a coup d'etat in Omsk and seized power. The vice-admiral declared himself the "Supreme Ruler" of Russia. He jailed Avksent'yev and others, promising to release them on the condition that they cease all of their political activity. The impulsive sailor's prisoners had enough sense to ask to be sent abroad instead. They had seen enough of the inhuman behavior displayed by the officers who were Kolchak's followers when these officers had dragged them off to jail, threatening revenge. Kolchak, who was drunk on power, allowed them to emigrate. They wanted to go to the mecca of "democrats"--the United States--hoping that their fine motives would be understood by the Americans. But the American border turned out to be locked against Avksent'yev and company; pragmatic-minded Washington did not need babblers and failures, even those with a "democratic" outlook. They were forced to drown their emigrant sorrow in Western Europe, which sheltered the fugitives from the heavy hand of the "Supreme Ruler" of Russia.

In "Kolchakiya," as the area captured by the vice-admiral was aptly called, unbridled terror raged and the force of it was even felt by the Russians who had assisted Kolchak in his rise to power. "In order to prove that the Bolsheviks were unsupported," said V. I. Lenin, "the socialist revolutionaries and Mensheviks began to build a new government and ceremonially fell with this government right into the clutches of Kolchak."²⁸ The result, Lenin pointed out, "was a dictatorship by Kolchak instead of a constituent assembly--the most rabid kind of dictatorship, worse than any tsarist dictatorship."²⁹ Most of the members of the constituent assembly who were within reach were scattered among various prisons and some were executed. The less visible socialist revolutionaries and Mensheviks went underground and the quickest ones, like V. M. Chernov, leader of the right wing of the Socialist Revolutionary Party, emigrated.

The imperious actions of Kolchak and the other White generals cost the people of Russia a great deal. The leaders of the "White" cause were only able to prolong the struggle in European Russia until November 1920 and the fight in the Far East until November 1922 because of the support of international imperialism. And those who were engaged in babbling about "human rights" were perfectly aware of the kind of forces they were supporting against a people's revolution. According to the official estimates of Graves' headquarters (which were naturally transmitted to Washington), "Kolchak never had more than 7 percent of the population on his side.... [He] could not have stayed in power for a single month without the support of the foreign troops in Siberia."³⁰ In the capitals of the Entente powers, they saw all of this, but they still stubbornly supported the opponents of the Bolsheviks, literally in the futile anticipation of a "miracle"--the collapse of people's power!

International imperialism was disappointed in its expectations: the revolution was able to defend itself. But the civil war cost Russia almost 8 million human sacrifices--killed, stricken by disease or wounded. Of these, 2 million were Red Army soldiers. Material losses amounted to 39 billion gold rubles, or one-fourth of the pre-war property of the nation.

The reaction of official circles in America to the Russian Revolution cast a long shadow on the subsequent development of relations between the two most important powers of the present era. The history of the anti-Soviet intervention taught a lesson that was unexpected at the time but was educational in the light of subsequent events. As Professor W. Lafeber has said: "The allied intervention went bankrupt and many Russians quickly withdrew from the foreign troops and supported Lenin."³¹ Attempts to defeat communism by military means displayed their futility even then. But the recognition and realization of this did not change the deep hatred felt by property owners for the ideals of communism.

When a congressional subcommittee conducted hearings on "The Genesis and Course of the Cold War" in the middle of 1971, Professor Flemming felt the need to remind his listeners: "Anticommunism lies at the basis of everything.

The communists cannot be pardoned for having committed the sin of destroying the profits of private enterprise." It was precisely this that colored and determined the approach taken by the American rulers to Soviet Russia and now lies at the basis of the world bourgeoisie's position in relation to communism. During the course of the same hearings, Professor W. Neill stated: "Our foreign policy thinking, in my opinion, is still governed by the same ideas." In all probability, the American experience of 1917-1920 in its relations with Soviet Russia is still not being given the proper weight or value overseas even in our own time.

FOOTNOTES

1. F. Schuman, "American Policy Toward Russia Since 1917," N.Y., 1928, p 56.
2. A. Sutton, "Wall Street and the Bolshevik Revolution," N.Y., 1974, pp 94, 97-99.
3. H. Hagedorn, "The Magnate: William Boyce Thompson and His Time (1869-1930)," N.Y., 1935, p 263.
4. A. Williams, "Lenin and the October Revolution," Moscow, 1960, p 3.
5. Quoted by V. L. Mal'kov in "Raymond Robins Discovers a New World," NOVAYA I NOVEYSHAYA ISTORIYA, No 2, 1970, p 133.
6. "U.S. Senate. Bolshevik Propaganda. Hearings Before a Subcommittee of the Committee on the Judiciary, 65th Congress, 3d Session," Wash., 1919, p 802.
7. C. Cummings and W. Pettit, "Russian-American Relations; Documents and Papers," N.Y., 1920, No 54.
8. "Dokumenty vneshevoy politiki SSSR" [USSR Foreign Policy Documents], vol 1, Moscow, 1959, p 276.
9. A. Williams, Op. cit., p 13.
10. "U.S. Senate. Bolshevik Propaganda. Hearings Before a Subcommittee of the Committee on the Judiciary, 65th Congress, 3d Session," pp 679-680.
11. W. White, "Woodrow Wilson: The Man, His Times and His Task," Boston, 1924, p XIII.
12. "'Felix Frankfurter Reminiscences:' Recorded in Talks With Dr. Harlan," N.Y., 1962, p 100.
13. J. Siracusa, "New Left Diplomatic Histories and Historians: The American Revisionism," N.Y., 1973, pp 35-37.

14. A. Rollins, "Woodrow Wilson and the New America," N.Y., 1965, p 251.
15. "Dokumenty vneshey politiki SSSR," vol 1, p 217.
16. "The German-Bolshevik Conspiracy," War Information Series, No 20, Wash., 1918.
17. S. Harper, "The Russia I Believe In," Chicago, 1969, p 112.
18. G. Kennan, "The Sisson Documents," JOURNAL OF MODERN HISTORY, June 1956, pp 130-154.
19. S. Harper, Op. cit., pp 128-129.
20. "Military Surveillance. Hearings Before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, U.S. Senate, 93d Congress, 1st Session," Wash., 1974, pp 170-171.
21. W. Lippmann and C. Mers, "A Test of the News," NEW REPUBLIC, 4 August 1920, pp 288-330.
22. W. Graves, "America's Siberian Adventure," Moscow, 1932, p 248.
23. D. Flemming, "The Cold War and Its Origins, 1917-1960," vol 1, Garden City, 1961, pp 22, 28.
24. G. N. Tsvetkov, "Shestnadtsat' let nepriznaniya" [Sixteen Years of Non-recognition], Kiev, 1971, p 43.
25. G. Kennan, "Russia and the West Under Lenin and Stalin," Boston, 1960, pp 118-119.
26. W. Graves, Op. cit., pp 242, 248.
27. V. V. Garmiza, "The Directorate and Kolchak," VOPROSY ISTORII, No 10, 1976, p 27.
28. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 39, p 128.
29. Ibid., p 127.
30. V. Graves, Op. cit., p 208.
31. W. Lafeber, "America, Russia and the Cold War, 1945-1975," N.Y., p 3.

8588

CSO: 1803

STATE MONOPOLY REGULATION IN ENERGY--PROBLEMS AND PROSPECTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, in Russian No 9, Sep 77
pp 16-30

[Article by Yu. I. Rigin]

[Summary] In an address to the American people in April of this year, President J. Carter stressed the importance of finding solutions to the energy problem and pointed out the great complexity of this problem. In his view, the economy and security of the United States are being threatened by the growing lack of correspondence between the supply and demand of energy, the diminishing reserves of liquid fuel, the periodic shortages of natural gas and the excessive dependence of the U.S. economy on imported oil. The President summarized his statements by asserting that the energy problem is the most serious problem the American people will have to face during the lifetime of the present generation. He asked the people to unite their efforts in doing everything possible to eliminate this threat.

The causes of the crisis are numerous, but the most important include the continuously rising rate of energy consumption, the consumers' preference for oil and natural gas over hard fuel, the selfish actions of the American oil monopolies, which are constantly exerting pressure on the government in their own interests, and the Arab nations' disapproval of the support given to Israeli aggressive actions by Washington, which has caused the Arab oil-exporting countries to exert their own kind of pressure on the U.S. Government--the imposition of embargoes on oil deliveries to the United States, a sharp rise in oil prices, etc.

The Nixon and Ford administrations worked out a long-range energy conservation plan, but this plan was discarded by the new Democratic Administration of J. Carter because of its "unrealistic" nature. In April 1977, Carter submitted a new long-range energy program to Congress. The program outlines short-range and long-range solutions to the energy problem. It suggests ways of overcoming current difficulties and of establishing national self-sufficiency in this field.

One of the main sections of the program is concerned with energy conservation. To this end, manufacturers are to develop automobiles with better mileage and energy-saving home appliances. The state governments are to draw up their own energy conservation programs; these programs will be co-ordinated and partly financed by the Federal Government. Strategic oil reserves will be built up to prevent future shortages of liquid fuel.

Another major section of the program points out the need for a change in the types of energy used. The program calls for the development of the coal industry and nuclear power engineering and the investigation of new alternative sources of energy. In implementing these plans, the government will have to contend with the negative public reaction to the potential dangers of nuclear energy and with the opposition of the oil monopolies. Other points in the program call for the government financing of research and engineering in this field and the introduction of planning on a broad scale.

If the program is carried out in its present form, it will raise the general price index, increase the cost of public utilities and transportation services and reduce public purchasing power. All of this will harm the workers most of all. On the other hand, the program may lead to positive changes as well. These possible changes include the development of new types of production and new industries.

8588
CSO: 1803

SOURCES AND AIMS OF 'TRILATERAL' STRATEGY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 31-42

[Article by N. D. Turkatenko]

[Text] The problems arising from the weakened position occupied by the United States in the contemporary imperialist structure and from the changing balance of forces in the world are forcing Washington to make an active search for ways of reinforcing the state of the economy within the nation and gaining maximum advantages over its competitors, including the most convenient and easy access to sources of raw material, to sales markets and to markets for the investment of capital. Political and business groups in the United States realize that the current problems, which are growing increasingly acute, will inevitably contribute toward a further relative weakening of the nation's economic strength; this will have to affect its political and strategic positions on the global scale.

Although American monopolistic capital acts primarily in its own interests, it also recognizes the fact that the fate of American society in its present form depends on the stability of the entire capitalist system as a whole. All of the factors connected with the global nature of American business occupy a place of particular importance in the planning of a "strategy for survival." The largest American industrial and financial corporations now have colossally large interests in virtually the entire nonsocialist world. The balance value of the assets of these corporations overseas is estimated at more than 130 billion dollars, while their real value amounts to more than 300 billion.¹ All of this has called for more direct and active participation by the monopolies in the development and implementation of the foreign policy course of the United States than in the past (when many problems were "transferred" in their entirety to the government). The growing role of the U.S. monopolies as objects and subjects of foreign policy during the 1970's has been made particularly evident by the fact that the global system based on their overseas operations is being looked upon as a way of reinforcing the domestic and international position of the United States itself and in cementing the entire political and economic structure of capitalism, which has been undergoing shocks of increasing intensity.

The main stockholders and administrators of the leading American corporations, politicians and many political scientists and economists regard the global system of American business or business "in general" as a finished model and basis for a "new unified economic and political order," not only--although this is the main thing--within the framework of the developed capitalist world, but in all regions outside the boundaries of the socialist system. They take a stand which attests to their desire to make use of the scientific and technical revolution and the internationalization of economic management for such far-reaching political purposes as putting an end to the "archaic" division of the capitalist world and Third World into sovereign states--a system which they feel "does not correspond to present conditions." They are insisting that a path be cleared for the "managers of a global interdependent economy," since this is supposedly the only way of effectively solving all of the problems facing the world. The initiators of these ideas expect the overwhelming size and power of the largest American monopolies to make it possible for these monopolies--in close interaction with, and reliance on, the U.S. Government--to conclusively determine the shape of the "new world order."

The "maximum potential" of the United States is being reduced more and more by present conditions. The Americans can no longer expect international problems to be solved by means of U.S. efforts alone and on terms benefitting the United States alone. For this reason, the role and significance of America's allies and partners are more important than ever before in the process of adapting capitalism in general and American capitalism in particular to the new conditions that have taken shape and are developing in the world arena.

In its most general features, the essence of the policy that has been conducted by the United States during the entire postwar period in regard to its chief allies has always consisted in forcing them in one way or another to follow in the wake of U.S. foreign policy, thereby counteracting the typical capitalist tendencies toward disunification, and constantly intensifying tendencies toward unification, relying, as V. I. Lenin said, on the natural and inevitable alliance of imperialists of all nations in the protection of capital, which, in turn, places the need to preserve the alliance of capitalists of all nations "above the interests of nations, populations and anything else."² During the 1970's, U.S. foreign policy strategy has had the aim of reinforcing this kind of alliance in the face of the dangerous upheavals confronting capitalism and of maintaining the leadership of the United States in this alliance. There has been a constant search for ways of overcoming the most acute conflicts tearing the capitalist system apart. Attempts have been made to at least limit their effect in order to diminish their negative political and economic consequences, including their effect on internal affairs, particularly in the Western European countries, where the left has been gaining strength in the 1970's, especially in Italy, Portugal and France.

The intensification of the conflicts between the three "centers of power" in the capitalist world, as well as in the EEC (the intensification here has mainly been due to such factors as competition in the struggle for sources of raw material and cheap labor, for sales markets and for spheres for the investments of capital on the global scale), in conjunction with the intensification of the general capitalist crisis and the effects of the dialectical law of unity and the struggle between opposites, has stimulated attempts to unify the potential of these centers to the maximum on the basis of common class interests. The goal here is dual: to establish the best possible conditions for the protection and promotion of American interests and to reinforce the bases of the international capitalist system, thereby increasing its weight in the world arena. The credit for the development of this course and its implementation on the scale of the entire nonsocialist world, but mainly within the "geopolitical triangle" of the United States, Western Europe and Japan, must be given to American monopolistic capital, which has aimed the American Government's foreign policy mechanism in this direction ever since the end of the 1960's.

An increasingly perceptible role in this process has been played by the so-called "Trilateral Commission," or, more precisely, the prominent representatives of the American political business and scientific communities belonging to this commission. The nations of the European Economic Community and Japan are also represented in this commission by persons of the same caliber and from the same circles. The commission was established at the initiative of D. Rockefeller, chairman of the board of the Chase Manhattan Bank and chairman of the board of the Council on Foreign Relations (CFR).³ The Trilateral Commission began its work in 1973, that is, during a period when U.S. ruling circles were particularly concerned with their relations with their chief allies and partners. The commission was formed for the purpose of working out a policy aimed at the unification of the capitalist world around its "natural leader"--the United States--and stimulating the centripetal tendency within this world in the political, military and economic spheres, with consideration for the energy crisis, the challenge objectively inherent in the grand achievements of the Soviet Union, the growth of the liberation movement and the desire of the developing countries to cease playing the role of the raw-material annexes of the capitalist powers.

The American members of the Trilateral Commission included the heads of the Exxon (the largest corporation in the capitalist world), Caterpillar Tractor, Hewlett-Packard, Texas Instruments, Bendix, Sears, Roebuck and Coca-Cola transnational corporations, the Bank of America (the largest bank in the capitalist world), the Chase Manhattan Bank, Lehman Brothers and the CBS television and radio broadcasting corporation.

The politicians playing the most prominent part in the commission have been G. Ball, former under secretary of state, C. Vance, former deputy secretary of defense (the present secretary of state in the Democratic Administration), H. Brown (present secretary of defense) and P. Warnke (present head of the Arms Control and Disarmament Agency). From the first days of the commission's

existence, an active part was taken in its work by J. Carter (who was then governor of Georgia), recommended for membership by D. Rockefeller, and certain members of the CFR, such as present Vice-President W. Mondale (then the senator from Minnesota) and Z. Brzezinski, presently the President's national security adviser (then a professor at Columbia University; he was the first chairman of the Trilateral Commission and was its chief ideologist until recently).

The establishment of this commission represents one of the new ways of manifesting the class solidarity of oligarchic groups in the leading capitalist powers and also embodies the personal union of the oligarchy with the government authorities and the "political-academic complex" on the international scale for the purpose of working out the general guidelines of the domestic and foreign policies of imperialist states, as well as the methods for implementing these policies in the contemporary world.

The commission serves as the connecting link between official and unofficial spheres of power in its member states.

The Commission on Critical Choices for Americans, established by the Rockefeller Foundation, began functioning at almost the same time as the Trilateral Commission (in 1974). Its activities have been closely connected with the activities of the CFR and the Trilateral Commission. The CCCA is responsible for the organization of research and "inside investigations" for the purpose of gaining a better understanding of the domestic and international problems facing the United States and determining the "critical choice" which must be made in order to solve these problems.

N. Rockefeller, the first chairman of the CCCA, defined its aims in the following way: The United States can no longer base its actions on the principle of reaction to crises or rely on emergency programs and enormous appropriations in the resolution of the problems facing the nation; the United States must understand existing tendencies and trace their development in order to assume control over the forces that are revealed.⁴

To a significant extent, this approach has become characteristic of the conceptual and practical tendencies that have developed in U.S. foreign policy in the 1970's in the world in general and in the United States' relations with its chief allies and partners--primarily the nations of the EEC and Japan--in particular. These tendencies are not devoid of realism, which is reflected in the recognition and consideration of changes in the world and in active participation in this process.

Other tendencies have also taken shape and developed in U.S. foreign policy, arising from the growing concern over the continued erosion of the United States' role as the "natural leader" of the capitalist world. Washington made decisive attempts to counteract the reinforcement of the position of certain forces in the Western European countries in favor of its transformation, by means of economic and political integration within the framework of

the European Economic Community, into a kind of "independent center of power," which would play the role of a counterbalance to the influence of "both super-powers," that is, not only the Soviet Union, but also the United States. During the course of the opposition to this kind of "pure Europeanism," there was a process of consolidation in the ranks of American "Atlanticists"-- forces in the United States which have conducted and are conducting a policy aimed at the encouragement of Western European integration, but only within the framework of the "Atlantic community" through the closest possible unification of the Western European countries around the United States.

Fierce debates were already going on among American "Atlanticists" in the recent past: They argued over the best way of achieving the economic and political unity of Western Europe and ensuring its close interaction with the United States. One group of American "Atlanticists," who were given the name of "structuralists," favored the establishment of a rigid system of intergovernmental institutes for the development and implementation of a joint approach to all of the increasing problems involved in the interrelations within the capitalist world and problems of a global nature (relations with the Soviet Union, with the developing countries, etc.). As confirmation of the wisdom and efficiency of this approach, the "structuralists" pointed to the experience of NATO and the Organization for Economic Cooperation and Development (OECD).

Another group of American "Atlanticists," who were given the name of "functionalists," insisted on the need to give priority to the compilation and implementation of concrete programs in the areas of foreign policy, defense and economics, since the success of these programs would be in the interests of all parties involved, and an excessive number of bureaucratic agencies could only interfere in this success.⁵

These debates mainly took place among those of the "Atlanticists" who were political scientists. The practical policy of the United States developed along both channels: new organizations were set up, such as the International Atomic Energy Agency and the Committee on the Challenges of Modern Society, established within the framework of the political structure of NATO, and a search was simultaneously made to ensure at least some kind of unity in the compilation and implementation of various programs and the establishment of organizations for the implementation of these programs when necessary. For example, the IAEA came into existence when a search was being made for ways of escaping the energy crisis, and when different methods were being tested to prevent the intensification of the general capitalist crisis, a "directorate" of the leading capitalist powers took shape as an organization, with a membership consisting of heads of state and government and with meetings held on a regular basis.

At this same time, under the influence of changes in the world and the economic problems raised to a position of prominence by the new balance of forces in the imperialist structure, the very concept of "Atlanticism" underwent rapid evolution and then experienced a transformation. In its,

so to speak, original form, this concept primarily referred to the relations between the United States and Western Europe, and mainly in the sphere of military political relations within the NATO framework. The evolution of the concept of "Atlanticism" took the form of supplementing the military political alliance of the United States and Western Europe with an economic political alliance or the establishment of the necessary conditions for extensive cooperation under the leadership of the United States within the framework of "genuine Atlanticism." At the same time, "Atlanticism" was transformed into "expanded Atlanticism." The latter placed emphasis on the closer functional--and, later, structural--involvement of Japan in the "community of industrial democracies" as one of the "centers of power" of the capitalist world, although Japan was already attached to the "community" (as far as the other capitalist powers, with the exception of the United States, were concerned), but only in the economic sense (by its membership in the OECD, IAEA, IMF, IBRD and GATT).

The material basis of the concept of "expanded Atlanticism" became the growing political and economic interdependence of the United States (although its degree of dependence is much lower), the EEC countries and Japan, just as the growing need for the capitalist powers to take foreign economic factors into consideration (in such spheres as energy and other raw materials, the possibilities for the export of capital, and sales markets).

Therefore, the concept of "expanded Atlanticism" took shape as an instrument for the reinforcement of the United States' position within the capitalist world and as a means of stimulating the centripetal tendencies in this world. While the more general orientation of the concept of "expanded Atlanticism" toward the consolidation of the capitalist world in the "interests of universal economic stability" were widely publicized and advertised in the American political, business and academic communities, its more narrow and specific orientation--toward the consolidation of the United States' position in the imperialist structure through the expansion of the spheres of "interdependence" on American terms--was hushed up. It simply seemed to be self-evident that the United States was somehow guaranteed a dominant role in the "expanded community" on the strength of its economic and military potential and its global positions and, last but not least, the positions seized by American corporations in the decisive sectors of the economies of all capitalist powers and the overwhelming majority of the developing states.

The concept of "expanded Atlanticism" was broken in under difficult conditions. In the EEC countries and Japan, tendencies toward the maximum reduction of the dependence of their foreign policies on the foreign policy course and concrete actions of the United States were gaining strength. These tendencies became particularly apparent during and after the Arab-Israeli war of October 1973, when the EEC countries were on the verge of becoming involved in an armed conflict in the Middle East as a result of the one-sided actions of the United States. But the complex problems connected with the intensification of the general capitalist crisis and the actual scales of the economic and political dependence of the EEC countries and Japan on the United States established more favorable conditions for

the advocates of the "expanded community," both in the United States itself and in the camp of America's chief allies and partners.

Taking advantage of this situation, the United States continued its active promotion of this line, which, by the mid-1970's, took the form of the concept of "trilateralism," or the establishment of functional and structural "interaction" by all three main "centers of power"--the United States, the EEC and Japan. It was precisely according to these guidelines that the CFR, this large foreign policy center, stepped up its work dramatically in the 1970's, and new centers--the CCCA and the Trilateral Commission--began to step up their activity. The work of these centers in line with the conceptual bases of these particular guidelines has always been governed by the social demands of the oligarchic groups that are using the centers as the most important part of the mechanism for the "programming" of the general guidelines of U.S. foreign policy. This was done by means of the development--with the direct participation of representatives of monopolistic capital and the research associates of these centers and the involvement of a large group of specialists from the leading research organizations, from Congress and the federal bureaucracy--of theories that would be applicable, in the opinion of their authors, to the new conditions in the world. This is also the purpose for the practice of hiring and promoting the most talented and far-sighted of these specialists (in addition to the direct representatives of the monopolies) to the highest posts in the federal bureaucracy, which are involved in the determination and implementation of the nation's foreign policy.

There have been several stages in the evolution of the conceptual bases of the courses leading to the determination of the general guidelines of the policy of "trilateralism" and the concrete actions involved in its implementation. They can be clearly traced from the works published under the auspices of the Council on Foreign Relations, the Commission on Critical Choices for Americans and the Trilateral Commission.

The beginning of the process by which the concept of "trilateralism" came into being coincides with the statements made by H. Kissinger in his works that were published at the time when he headed the CFR programs on nuclear strategy and foreign policy and followed this by acting as N. Rockefeller's foreign policy adviser in the presidential campaign of 1968. These works included his "The Troubled Partnership: A Reappraisal of the Atlantic Alliance" (1965), the chapter he wrote for the foreign policy section of the collective monograph "Agenda for the Nation" (1968)--the compilation and publication of this work by the Brookings Institution was financed by one of the main CFR donors, the Ford Foundation--and "American Foreign Policy--Three Essays" (1969). These works are distinguished by a largely realistic approach to the situation in the world and to the role and place of the United States in this world. Kissinger recognizes the need for the United States to take the balance of forces in the international arena into consideration in its foreign policy. At the same time, this prominent ideologist of contemporary capitalism is extremely concerned with the problem of retaining the role of "global leader" for the United States for the

purpose of ensuring maximum support for Washington's foreign policy strategy by its allies and, thereby, contributing toward the protection and promotion of the United States' global economic and political interests.

These objectives were formulated in the following way:

The relations of the allies should be adapted to new conditions, regardless of the persons in power, whether in the Western European capitals or in Washington;

The factor of "military threat" will soon lose its uniting force and negotiations with the East will lead to corrosion (of Western unity--N. T.) if they are not accompanied by a definition of the West's general goals and the establishment of the necessary institutions;

It will be necessary to make the transition from alliances to a community.⁶

The process of change in the balance of forces and the intensification of interimperialist conflicts, accompanied by upheavals within the United States and in the other capitalist nations that were unprecedented during the postwar period, caused the American "political-academic complex" to make an active search for new concrete guidelines for U.S. foreign policy. In 1972, the CFR published a fundamental work by one of its most prominent researchers, W. Diebold, "The United States and the Industrial World," which was actually written for the purpose of substantiating the economic aspects of "trilateralism." The author presented arguments in favor of the adaptation of such international organizations as the IMF, GATT and OECD to new conditions, primarily for the purpose of ensuring the expansion of economic cooperation by the United States, the EEC nations and Japan, which, in his opinion, would aid in improving the political climate in the relations between the "industrial democracies" and, consequently, the establishment of a stronger basis for the determination of common positions in relations with the rest of the world, which could be implemented through the mechanisms of the IMF, OECD and GATT.⁷

The idea of the need for a search for ways of controlling the "world economy" by harmonizing the interests and efforts of the United States, the EEC and Japan permeates a study which was conducted at the request of the Ford Foundation from July 1972 through March 1973 by a group of prominent scholars, including F. Bergsten, J. Mathewson, J. Nye, R. Vernon and R. Keohane.⁸

The same year of 1973 (incidentally, it was then that the Trilateral Commission began its work) marked the beginning of the stage during which the concept of economic "trilateralism" evolved into a political-economic concept with the aim of establishing a maximally integral global "center of power" or "triangle" with the United States as the "prominent angle"--an entity organically interconnected by class, political and economic interests. This evolution was concretely expressed in the works of one of the leading ideologists of contemporary capitalism--Z. Brzezinski.

For example, in an article published in the organ of the CFR, FOREIGN AFFAIRS, in 1973, he favored the creation of a "trilateral mechanism" within the U.S.-EEC-Japan framework for the organization of the entire group of political and economic interrelations of these nations and the relations between them and the rest of the world. Stressing the ideological essence of "trilateralism," Brzezinski called for action to eliminate the danger of "social differences arising from poverty or the broader prospect of the collapse of the global economic system," in reference, naturally, to the capitalist system.

According to the author, the important problems of the present day cannot be effectively solved without closer cooperation by the United States, Western Europe and Japan, and the comprehensive development of this kind of trilateral cooperation must become the central objective of American foreign policy.⁹

A somewhat more "liberal" interpretation of the concept of "trilateralism" is reflected in a work by present U.S. Vice-President W. Mondale, which was also printed in FOREIGN AFFAIRS in October 1974. Mondale transfers the emphasis to the economic problems facing not only the United States and the other capitalist powers, but also the "entire world." Nonetheless, when he discusses the ways of solving these problems, Mondale also essentially feels that the answer lies in cooperative efforts by the United States, the EEC and Japan, with the leading role retained by the United States.

Mondale's premises can essentially be summarized in the following way:

Although the major international problems the United States has encountered during the last quarter of a century have not vanished, they are now outweighed by the danger that the capitalist economy may go out of control. If this should happen, Western forms of government would be seriously threatened;

These problems cannot be solved by individual nations; the solutions must primarily be sought through "cooperation" on the part of the United States with Western Europe and Japan and the closer coordination of their domestic and foreign policies under the leadership of the United States, which has the greatest economic potential.¹⁰

H. Kissinger continued to contribute a great deal to the development of the concept of "trilateralism." For example, let us recall his statements in regard to the need for a "new Atlantic charter" (in a speech on the declaration of the "Year of Europe" in 1973) and his statements about the need for stronger political and economic cooperation by the Western countries at the University of Chicago and the Cincinnati Chamber of Commerce (1974). Over and over again, the man who was then secretary of state emphasized the need to guarantee the "viability of the alliances" between the United States and

the Western European countries and Japan and warned that the failure to do this might lead to an economic crisis of such dimensions that it could threaten the stability of the entire capitalist system.

The idea of "trilateralism" acquired extremely concrete outlines in a work published in 1975 by the CFR and written by R. Schaetzel, who occupied a high position in the State Department during 1962-1966 and was the head of the U.S. Mission to the European Communities in Brussels during 1966-1972.

In substantiating the need for close "cooperation" between the United States and the EEC, the author states that "interdependence" involves a much broader sphere than just U.S.-EEC relations and, consequently, "logic demands" the development and implementation of a strategy of constant cooperation by the United States, the EEC and Japan--both because of the need to improve their own position and because of their "responsibility to the entire world" (in this context--because of the need to strengthen the capitalist system as a whole and its positions in relation to the rest of the world--N. T.).

In view of the fact that "there is absolutely no dialogue between the EEC and Japan" and, besides this, the fact that the EEC countries suspect that their partner is frankly attempting to make Western Europe the number one target for Japanese exports in place of the United States, Washington must assume the leading role in the organization of the trilateral cooperation. In the author's opinion, the time has come to establish a permanent committee for this purpose on the level of the heads of the foreign policy departments in the nations constituting the three "centers of power" and the EEC agencies.¹¹

The Commission on Critical Choices for Americans has also made its contribution to the evolution and transformation of "Atlanticism" into the concept of "trilateralism."

In "The Contemporary Global Economy and American Foreign Policy," an article included in the CCCA publication "Trade, Inflation and Ethics," which was published at the beginning of 1976, professors D. Blake and R. Walters of the University of Pittsburgh have displayed a quite realistic approach to the problems facing the United States and the other capitalist powers. The new global realities, the authors state, are making it necessary for the United States to reassess its foreign policy and foreign economic policy; the "more simple priorities" of the cold war, when military problems and "problems of security" prevailed in the field of international relations, are now unacceptable as the basis of U.S. relations with other nations. The foreign and domestic interests of the United States can no longer be secured by the restricted concentration of efforts on problems of national security in light of the division of the world into armed camps headed by the powers with the greatest military strength. New factors, in conjunction with the widespread loss of faith in American leadership, have largely freed many U.S. allies from the need to subordinate their own interests (beyond the bounds of "security safeguards") to the maintenance of their alliance with the United States. American hegemony in the Western world has weakened dramatically.

The relaxation of international tensions, combined with the weakening of American economic and political domination in the Western world, Blake and Walters continue, has caused other problems to arise in addition to "problems of security." Economic problems have regained the significance they had prior to World War II--as the main source of conflicts and interaction between states. Conflicts with the developed nations of Western Europe and Japan in connection with trade, currency systems and capital investments have occupied the major place in the United States' interrelations with these countries.

After giving present realities their due recognition, the authors proceed to the essence of the matter: The substantiation of the need for America's allies and partners to reinforce their relations with the United States, which "is still the largest single economic and military power and is searching for ways to continue playing the leading role in the world." The authors appeal to the Western European countries and Japan to refrain from criticizing "America's leading role" and to take on part of the "burden" of establishing a "new Western political and economic system."¹²

The next, truly official development of the concept of "trilateralism" took the form of a special report by the Trilateral Commission, which was made public in the beginning of 1977. The report was compiled under the supervision of Z. Brzezinski when he was already acting as J. Carter's foreign policy adviser in the presidential campaign of 1976. This report substantiates the need for the United States, the EEC countries and Japan to achieve maximum interaction in the area of foreign and economic policy by means of a trilateral comprehensive approach to the problems facing the United States and the other capitalist powers--problems within each separate nation, problems in their interrelations and problems in the relations between the capitalist nations and the rest of the world. The report charges the United States, the Western European countries and Japan with the task of establishing joint institutions for the purpose of coordinating their activities in the compilation of foreign policy and economic programs.¹³

The stages in the development and transformation of the concept of "Atlanticism" into "trilateralism" and the fact that ruling circles in the United States--the largest and most powerful capitalist power in the economic and military sense--are constantly giving more priority to the trilateral approach in their policy in the sphere of relations within the capitalist world attest to the fact that this is a long-range tendency in U.S. foreign policy strategy. An analysis of the conceptual premises, as well as of the practical measures instituted to promote this tendency by means of the joint efforts of monopolistic capital and the federal bureaucracy of the United States at a time of growing interaction by ruling circles in the other capitalist states, but also at a time of inevitable intensification of the conflicts tearing the capitalist world apart, already shows us certain trends in the development of "trilateralism" which attest to the attempts being made to establish a global "tripartite center of power" with the United States playing the decisive and leading role and not simply some kind of amorphous "community of industrial democracies" on the basis of "interdependence."

Since economic factors, connected with the domestic and international position of the United States--factors which have become the most important imperatives in Washington's foreign policy strategy in the 1970's--are acquiring increasing weight in the calculations aimed at the construction of this kind of center, the interests of the chief groups of American monopolistic capital are playing the most important role in determining the policy of "trilateralism."

The global system of American business on the scale of the entire nonsocialist world represents one of the more characteristic manifestations of the general process of colossal expansion in the activities of industrial and financial monopolies, which is contributing to the merger of government authorities and oligarchies on the international scale. This process confirms the fact that the imperialist alliance has an objective economic basis as well as a social and political basis. This economic basis is being used more and more extensively for the coordination of efforts in the attempt to stabilize the situation within the capitalist world. As for the sphere of U.S.-EEC-Japan relations, the global system of American business is regarded as a "means of cementing" the entire structure of these relations. In actuality, however, it is intended to serve as an instrument for the closer attachment of America's allies to the political and economic structure of the United States.

Because of the multibranched and multifaceted structure of political-economic relations, including those within the NATO framework, and the merger of monopolistic capital in the United States and the EEC countries (the existence of systems that have taken shape as a result of the introduction of American capital into Western Europe and the relatively rapidly developing Western European monopolies that have penetrated the United States), U.S.-EEC relations are recognized as a finished model for the establishment of a "tripartite center of power." The concept and practice of "trilateralism" have shown that the United States has attempted to create the missing EEC-Japan side of the "triangle" according to the model and example of the two existing sides: U.S.-EEC and U.S.-Japan, simultaneously striving to also achieve their thorough reinforcement in the military, political and economic sense.

This "unification" strategy is encountering obstacles caused by many factors, primarily interimperialist conflicts and differences, which are constantly being manifested in new forms and are flaring up with new strength, since each is striving to gain advantages at the expense of the others and to impose its own will. We need only to remember the "trade war" waged by the United States, the EEC countries and Japan, their fierce disagreements over currency and financial issues and, finally, their disputes over their different attitudes toward detente.

Due to the crises of the 1970's in the capitalist world and to the effects of the loss of disproportionate capitalist development, the positions of the EEC countries and Japan in relation to the United States have again

become weak. This situation is objectively aiding Washington in its efforts to promote tendencies toward unification and to expand the political and economic interaction of the United States, EEC and Japan on American firms. Another extremely important aspect of "trilateralism" is aimed at a more effective, "organizational," global role for the "tripartite center of power" in the determination of the conditions and limits of the development of relations with the Third World and the socialist community and the "regulation" of the complex and frequently contradictory processes accompanying detente. The aims of this "regulation" are already evident from Washington's actions to "slow down" detente. The advocates of this kind of "forceful trilateralism" are trying to reinforce their position by statements which have become fashionable in the West and which allege that detente is "inconvenient" for the capitalist powers and that, for this reason, there is nothing left for them to do but to unite their efforts in its "more effective control."

We could hardly regard the concept and practice of "trilateralism" as completely developed entities. But the tendency to make "trilateralism" a weapon for defending the interests of, above all, the United States, largely at the expense of its allies, as well as the interests of the other leading capitalist powers to the detriment of the interests of other countries and groups of states, is already apparent. This side of "trilateralism," which has probably been most clearly reflected in Z. Zbrenzinski's works, has become predominant in recent years. In particular, this may be seen from the position occupied by the United States and most of its allies at the latest North-South conference in the summer of 1977, the joint measures taken by the Western powers to suppress the "disorder" in Zaire and Washington's renewed attempts to intervene in the domestic affairs of the USSR and other states.

If we also consider the dramatically increased pressure exerted by the United States on its allies, including Japan, for the purpose of forcing them to continue to take a greater part in the "security measures" of the West on the "unifying" basis of the American military-industrial complex--and, incidentally, thereby weakening their general competitive ability--we then have solid grounds for assuming that "trilateralism" is being transformed into the "classic" bloc policy, aimed this time at the establishment of a political, economic and military "tripartite center of power" in counterbalance to the rest of the world.

The entire history of contemporary international relations, including economic relations, has conclusively shown that, even if the bloc policy gives its initiators and participants some kind of advantages, they are only temporary. Over the long range, it can only harm their interests, since it intensifies antagonistic forces and leads to confrontations and interruptions in the process of genuine international cooperation on a broad scale, for which the conditions of the present time are much more propitious than ever before.

The truly effective regulation of this process in the direction of its further development requires coordinated efforts by all states in the world. "We are presently," said General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev in response to the questions of LE MONDE, "only at the beginning of the reconstruction of international relations, which we must accomplish all together." One of the important requirements of the present era also consists in the reconstruction of "international economic relations on a democratic basis" and the elimination of "discrimination, arbitrary dictates and inequality" in these relations.¹⁴

These statements by L. I. Brezhnev point out objective realities from which there is truly no escape, even for the advocates of "trilateralism," if they are actually and not just verbally concerned about the development of international cooperation and the constructive participation of all "centers of power" in the capitalist world in this process, which would serve their vital interests.

FOOTNOTES

1. FORTUNE, December 1976, p 126; LE MONDE DIPLOMATIQUE, January 1975.
2. See V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 36, pp 328-329.
3. The Council on Foreign Relations, which was established in 1921, is one of the most influential "independent" research centers in the sphere of U.S. foreign relations. It is financed by the Rockefeller, Ford and Carnegie foundations and directly by approximately 100 of the largest corporations. Council members and associates include prominent politicians, the administrators of the foundations and corporations financing the CFR, prominent congressmen and senators (regardless of party affiliation), political scientists and economists. The CFR is closely related to several other foreign policy research centers, including the Brookings Institution, the research centers of Columbia, Georgetown and Harvard universities and others.
- During the CFR's closed seminars and conferences, important foreign policy issues are discussed and then amplified in public or confidential publications. The conclusions and recommendations stated in these publications reflect the guidelines of the foreign policy course worked out in the upper echelons of government. The heads of the top links of the foreign policy division of the State Department are also chosen from among the members of the CFR.
4. "Trade, Inflation and Ethics: Critical Choices for Americans," Lexington (Mass.), 1976, pp V-VI.

5. For more about the "structuralists" and "functionalists," see A. I. Utkin, "The Latest Events in Transatlantic Relations," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 4, 1977.
6. H. Kissinger, "The Troubled Partnership: A Reappraisal of the Atlantic Alliance," N.Y., 1965, pp 5, 7, 9, 10.
7. W. Diebold, Jr., "The United States and the Industrial World: American Foreign Economic Policy in the 1970's," N.Y., 1972, pp 342-358, 457.
8. "The Future of the International Economic Order: An Agenda for Research," ed. by F. Bergsten, Lexington (Mass.), 1973.
9. Z. Brzezinski, "U.S. Foreign Policy: The Search for Focus," FOREIGN AFFAIRS, July 1973, pp 708-728.
10. W. Mondale, "Beyond Detente: Toward International Economic Security," FOREIGN AFFAIRS, October 1974, pp 1-2, 4, 7, 24.
11. R. Schaetzel, "The Unhinged Alliance. America and the European Community," N.Y., 1975, pp 69, 70-72, 89, 95, 98, 101-103, 110, 112, 115, 128-130, 136, 148.
12. D. Blake and R. Walters, "The Contemporary Global Economy and American Foreign Policy," In: "Trade, Inflation and Ethics," pp 16, 22, 23.
13. THE CHRISTIAN SCIENCE MONITOR, 14 February 1977.
14. PRAVDA, 16 June 1977.

8588
CSO: 1803

BROADCASTING IN THE UNITED STATES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 43-54

[Article by N. A. Golyadkin]

[Summary] The national broadcasting network in the United States is completely under the control of private capital. The thousands of commercial radio stations pursue the goal of deriving profits. They are also supposed to aid the ruling class in the attainment of its political and ideological objectives.

Radio suffered a dramatic decline at the beginning of the television era, in the mid-1950's. The entire repertoire of radio was threatened. Radio comedies, dramatic series and soap operas moved to television. The prophets of doom predicted the speedy death of radio in this "era of the visual arts." Since 1960, however, radio has regained its old confidence. It serves a different function now, creating a background atmosphere instead of engaging the full attention of the listener as in the past, but it is still an established feature of American life. The average American now listens to the radio for 1.5-2 hours a day. In 1976, there were 402 million radios in the nation and the number of radio stations reached 8,034. The broadcasting companies employ more than 70,000 individuals and absorb 1.8 billion dollars in advertising fees.

The management of radio stations has gradually become decentralized. This has been accompanied by a process of specialization. Stations choose either a music or news format. The large American cities are now likely to have around ten different types of stations--continuous news, continuous talk shows, information, commute music, rock and roll, country music, soul music, classical music, etc. Some stations cater to a particular ethnic minority group. American experts on the mass media believe that this stage in the evolution of American radio has not come to an end; they predict that the spectrum of "ethnic radio" will be expanded and that other stations will express the interests of specific political groups or professions. One station in New York is already broadcasting programs for doctors.

Although radio has lost its previous significance as a nationwide spokesman, it is still affected by the ideological and political views of station owners. The radio broadcasting system is called upon to play an important role in the alleviation of class antagonism and the revival of faith in the government.

8588
CSO: 1803

'SPECIAL PARTNERSHIP'--ILLUSIONS AND REALITY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 55-59

[Article by T. V. Oberemko]

[Text] The official visits of West German and American top leaders after the occupation of the White House by the new administration, including Chancellor H. Schmidt's visit to the United States on 13-14 July 1977, evoked a great deal of attention in both capitals. Several of the problems that had already given rise to a certain degree of tension in the relations between the United States and the FRG became even more acute. This was symptomatic, since the relations in question were between the two closest Atlantic partners. In its comments on J. Carter's meeting with H. Schmidt at the time of the May conference of top capitalist leaders in London, the NEW YORK TIMES stated that cooperation between the American President and the West German chancellor was "vitally necessary for the unification of the Atlantic community." And the ability to "organize this kind of cooperation," the newspaper continued, "is regarded as a test of the leadership of the new American President in foreign policy matters."

It is true that the development of relations between Washington and Bonn during the first half of the 1970's indicated that the United States had chosen Bonn as its privileged partner in Western Europe. Washington had good reason for preferring to confer much more often with the FRG leaders than with its other Western European partners. The London ECONOMIST remarked in this connection that West Germany "has begun to develop special relations with the United States--not quite like those that England had and that were a result of a common language and alliance in two world wars, but still close enough to delineate the economic strength and military power of the FRG and its dominant position in the European Economic Community and in NATO." This is evoking anxiety in other Western European states. This has even been pointed out by American authors. For example, a recent study by the Brookings Institution states: "Some people in the United States will be tempted to not rely on the weaker European nations and to focus our [American] policy on [West] Germany. This could give rise to fears capable of weakening the loyalty of other Western European nations to the European community and NATO."

The close U.S.-FRG partnership, however, is far from idyllic. The relations between the two states are characterized by the complex interaction of centrifugal and centripetal tendencies. Profound conflicts, which remain latent and accumulate over a long period of time, frequently rise to the surface against a general background of cooperation. The very basis of the previous bilateral relations has undergone considerable transformation in recent years. The political course followed by both powers during the years of the cold war, which was based on the use of the FRG as a "striking force" against the socialist countries and as a source of tension in Europe, has demonstrated its groundlessness. The growing economic strength of the FRG, intensified competition in the sphere of trade and the export of capital, and arguments over currency and financial problems have intensified the differences between the two powers against the background of a general reinforcement of West Germany's positions in these areas. For example, in terms of export volumes, the FRG was almost equal to the United States by 1975 (90 billion dollars), and in terms of total liquid assets (31 billion dollars), it surpassed its overseas partner by 100 percent.

The specific interests of the West German monopolies in the international arena (which are most clearly manifested, in particular, in East-West relations, relations with the developing countries, ways of overcoming the after-effects of the economic crisis, control over the export of nuclear technology and the arms trade, etc.) are coinciding less and less with American interests and are objectively stimulating Bonn's tendency to follow a more independent foreign policy course.

All of this is based primarily on interimperialist conflicts in the economic sphere: The intensified rivalry of American and West German monopolies, the clash of their concrete material interests, the desire to take markets that have already been seized away from one another and the attempt to gain certain advantages by making conditions worse for the activity of the competing side, which is becoming particularly acute after the prolonged and most severe postwar economic crisis in the worldwide capitalist system.

An important role is also played in this matter by political factors, particularly the desire of the FRG rulers to maintain and secure their position in Western Europe, which gradually took shape during the first half of the 1970's as a result of Bonn's assumption of the role of a middleman and chief ally in the implementation of the United States' European policy.

After the new American Administration came to power, it had a confrontation with Bonn, which aspiring to the role of not merely a "special" partner, but also of an American ally with maximum independence. And it was no coincidence that the most difficult and ticklish negotiations engaged in by Vice-President W. Mondale during his visit to Western Europe in January 1977 (the first official visit to this region by a top-level representative of the new administration) were probably the ones that took place in Bonn. The West German ruling circles did not conceal their dissatisfaction with some of the actions of the new American Administration, such as its energetic

attempts to organize a nuclear bargain between the FRG and Brazil and to place the West German exports of nuclear technology under control, or the negotiations held for the purpose of promoting the American plan for "improving the state of the economy" in the West, which threatened new inflationary leaps.

The nuclear bargain between the FRG and Brazil became one of the most acute problems in American diplomacy, not only in U.S. relations with the FRG, but also in relations with Brazil and several other concerned states. It touches upon the economic interests and the more important political interests of the United States. The FRG's decision to supply Brazil with installations for the enrichment of uranium in addition to reactors for eight nuclear power stations, in accordance with an agreement concluded in 1975, evoked an extremely negative reaction from the new administration. The fear that the transmission of the complete technological cycle for the production of nuclear fuel could lead to the creation of real opportunities for the development of nuclear weapons in Brazil, which, as we know, did not become party to the Treaty on the Non-Proliferation of Nuclear Weapons, was expressed on the pages of the largest American newspapers and in some official speeches. Apprehensions were also expressed in connection with the possibility that the technology for the production of nuclear weapons could spread through the Latin American and Asian countries.

The American side imposed restrictions on the export of nuclear technology and equipment from the United States and proposed (in particular, in the U.S. President's announcement of 8 April 1977 on nuclear energy and in the President's message to Congress of 28 April 1977) a program of measures to prevent the proliferation of nuclear weapons.

Despite the pressure exerted by the American Administration, however, the West German rulers refused to cancel or modify their nuclear transactions with Brazil. Bonn announced that it "would perform all of its contractual obligations" and would not allow the FRG to be "edged out" of the market for exports of nuclear energy for peaceful purposes. As the NEW YORK TIMES reported, one of the purposes of FRG Minister of Foreign Affairs H. D. Genscher's visit to the United States in March of this year was his intention to reaffirm the position occupied by the FRG in the world market for nuclear technology. Although Bonn announced on 16 June that it would no longer authorize the export of fuel-reprocessing installations or the technology of regeneration, this will have no effect, as was again emphasized in an official announcement, on previous obligations.

Naturally, one of the elements in this dispute consists of strictly economic considerations. The conclusion of this gigantic agreement (12 billion marks) between the FRG and Brazil as a result of the victory won by the West German Kraftwerk Union firm in a fierce competitive struggle with American monopolies unequivocally threatens the dominant position occupied by the United States in the capitalist market for equipment for the utilization of nuclear energy for peaceful purposes. In addition to this, the

agreement also concerns the largest nation in Latin America, which Washington regards as its traditional sphere of influence.

The mutual dissatisfaction in the relations between the two countries also arises from a group of "purely" economic problems. Because of the relatively healthy state of the West German economy, its lowest rate of inflation in Western Europe (4 percent) and the stable positive balance of West German trade (37 billion marks), the Carter Administration is associating the FRG with its far-reaching plans in the sphere of the so-called coordination of the policies of growth and the improvement of Western economic conditions. In particular, Bonn has been requested to make new allocations of large amounts of state funds for the purpose of economic expansion and stimulation. The American Treasury is hinting that the FRG's large positive balance and its regime of strict domestic economy do not coordinate with the general state of affairs and are impeding the return to "international equilibrium."

But the revival of economic conditions with the aid of these measures could intensify inflation and give rise to a deficit in the balance of trade. As Chancellor H. Schmidt and FRG Minister of Finance H. Apel have remarked in their speeches, the adoption of the measures recommended by the United States would undermine the solvency of the FRG and endanger its foreign trade and, consequently, its economy as a whole. Despite the pressure exerted by Washington for the purpose of causing the FRG to discard its restrictive course, which is restraining the rates of its economic growth, the federal government intends to follow its own economic policy. Denying the accusations of the American Administration, Bonn has announced that it has still been able to contribute toward the stimulation of the world economy. As an example, Chancellor H. Schmidt cited the significant increase in West German imports (by more than 20 percent within a year and a half), its plans to carry out a 2-year program of capital expenditures in the amount of 4-5 billion dollars and its financial aid to Italy and England in an amount exceeding 5 billion dollars (mainly in the form of international credit guarantees).

Naturally, we must not lose sight of the fact that the ruling circles in the FRG do not intend to engage in philanthropy; they are taking measures to improve the general state of the economy in the West only to the degree and in those areas where this will correspond to their own interests. This policy, against the background of the economic upheavals that affected the other Western European countries to a much greater degree, has not only aided in reinforcing the foreign economic positions of the FRG, but also in considerably increasing its political influence. And the financial aid that Bonn felt that it was expedient to offer to its neighboring Western European countries will, according to a picturesque remark by the WASHINGTON POST, in one way or another, "only steadily elevate it...to the acme of Europe."

Differences also arose between Bonn and Washington in the area of military policy, where their ties have always been particularly close. The United

States and the FRG are making the greatest contribution to NATO in all aspects--military, economic and political. The percentage accounted for by their contribution rose even more after the weakening of the Southern flank of the bloc. As the FRANKFURTER ALLGEMEINE ZEITUNG newspaper remarked, "the nucleus of NATO is becoming more obvious: America plus the FRG." Nonetheless, the interests of both powers clash sharply in this area as well.

The growing military-industrial complex in the FRG is becoming increasingly active in the world market as a supplier of various types of weapons, either of its own production or produced in cooperation with other Western European monopolies. Taking advantage of its position as a privileged partner of the United States in the NATO framework, the FRG is constantly increasing the volumes of its own military production and establishing branches of its military enterprises abroad; it has built defense plants in Argentina, Singapore, Thailand, Indonesia, Burma and Sudan. The Leopard tank produced by the Krauss-Maffei firm is not only used to arm the Bundeswehr, but is also supplied to the armies of Belgium, Italy, Holland, Norway, Denmark and Canada. Australia has ordered some Leopards. To date, West German plants have received orders for 5,820 tanks, of which around 4,500 have been delivered. The Western European nations, including the FRG, are intensifying the development of their own defense industry and are now demanding that Washington turn the purchases for NATO's needs into a "two-way street" by reducing the considerable gap in the United States' favor in the weapons trade in the NATO market.

The acute nature of the conflicts in this area is reflected by the fierce struggle between the United States and the FRG over a new medium tank for the NATO armies. In December 1974, the United States and the FRG signed a memorandum for the purpose of achieving "a high degree of standardization in the production of the new generation of tanks." The memorandum proposed that the best tank--either American or West German--which would be chosen after tests conducted on the basis of identical evaluative standards, would be used to equip the armies of both allies. Later, however, the results of the tests became another source of friction.

Although the Leopard-2 demonstrated higher indicators than the American HM-1, the United States did not purchase the West German tank. The resistance put up by the American military-industrial complex turned out to be too strong. A compromisory agreement on the standardization of several parts in the new tanks also went up in smoke. According to Leber, this could evolve into a serious political issue in the bilateral relations. The "blitz-visits" of FRG ministers H. D. Genscher and D. Leber to Washington in March 1977 did not help to settle these differences.

In summarizing all of these disputes, the NEW YORK TIMES expressed the opinion that the friction between the two countries could easily become intensified if the new realities are not taken into consideration. And these realities consist in the fact that, despite the FRG's ties of close partnership with the United States, if it were now to serve as an instrument of

Washington's foreign policy, this would objectively signify the deliberate restriction of its own ambitions. For this reason, if Washington tries to exert "excessive pressure" on Bonn, the latter could put up extremely fierce resistance, particularly in view of the fact that the chance to follow the United States' lead no longer has any "absolute value" to the FRG.

The apparent differences in the approaches taken by the Carter Administration and the Schmidt Government to political detente between East and West is also of great significance. Ruling circles in the FRG evidently realize that Washington's new "rigid" line in regard to the USSR could lead--if this course were followed by Bonn--to a reduction in the independence of West German foreign policy by attaching it more closely to Washington's course and to the deterioration of the positive relations being developed by the FRG with the nations of the socialist community. This is why attacks on the policy of detente are not being supported in Bonn to the degree that Germany's foreign partner would like to count on. This was also made clear at the time of H. Schmidt's visit to Washington in July, during the course of which the West German chancellor again emphasized the fact that the vital interests of the present day in the FRG "demand the continued development of the policy of detente."

Bonn hopes to overcome the negative after-effects of the economic crisis more quickly and with smaller losses than its EEC partners. It is possible that the further realization of economic advantages in the political sphere could lead, as American researcher R. Livingston points out, to the creation of a situation in which, "at the end of the 1970's and during the 1980's, [West] Germany will become convinced that the demonstration of its independence will require a refusal to recognize American leadership on a broad front."

The very nature of the partnership between Bonn and Washington has already undergone considerable changes and has taken on a qualitatively new form, approximating the conditions of relative equality. "The environment...of the disputes (between the United States and the FRG) is now much more complex than during earlier stages," states the NEW YORK TIMES. "This is an environment of partnership, evolving from the stage of trusteeship to cooperation by equals."

In its attempts to make use of the common difficulties of capitalism in its own interests, the United States, even though it has declared its relations with its allies--mainly Western Europe and Japan--to be the major area of its foreign policy, is still concentrating on maintaining its own dominant position in the sphere of Atlantic politics and on the scale of the entire nonsocialist world. At this time of continuous change in the balance of forces, including the balance within the capitalist world, this will inevitably lead to the greater intensification of interimperialist conflicts.

MID-YEAR ECONOMIC SITUATION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 60-64

[Article by Ye. F. Zhukov]

[Text] More than 2 years have gone by since the end of the 1973-1975 economic crisis in the United States--the most severe and lengthy cyclical crisis of postwar history. But the American economy has still not recovered from its serious after-effects. Erratic growth rates, the high level of unemployment, inflation, rising prices and the energy shortage--all of this is accompanying economic development like a shadow, aggravating the already tense political atmosphere in the nation. Conflicts are developing between labor and capital and the class struggle is becoming fiercer. Substantial differences are also apparent in government circles in regard to the way of solving complex economic, social, political and international problems. Internal processes are interconnected with the increasingly tense inter-imperialist relations and with the attempts being made by influential forces to undermine the process of detente, return the world to the time of the cold war and discredit worldwide socialism by propagandizing false ideas about the "violation of human rights" in the nations of the socialist community.

The U.S. economy experienced the "peak of the crisis" in April-May 1975; this was followed by a depression, and the end of the same year saw the beginning of a process of recovery. This phase of the new cycle was distinguished by instability, intermittent drops in production growth rates and, on the whole, much slower growth than during the same phase in all previous cycles of the postwar period.

As a result, the real growth national product (GNP) did not reach its pre-crisis maximum until the second quarter of 1976, and the volume of industrial production did not reach this level until November 1976. Since this time, the American economy has experienced a cyclical upsurge. But this has also been characterized by instability and relatively slow rates of production growth due to the negative effects of a group of complex problems inherited from the crisis and to the unfavorable weather conditions of the fall and winter of 1976/77.

During the first quarter of 1977, the real GNP (in 1972 prices) was 6.4 percent higher than during the fourth quarter of 1976 and amounted to around 1.3 trillion dollars for the year (in current prices it rose by 12.2 percent--amounting to 1.796 trillion for the year). But this rate of growth was lower than during the first quarter of 1976 (9.2 percent). Industrial production rose even less--by only 2.3 percent. On the whole, during the first half of this year, the real GNP rose by 7 percent in comparison to the second half of last year, that is, only slightly more than in 1976.

The expansion of consumer demand played an important role in reviving the market in 1977. Public expenditures on consumer durables during the first quarter of this year rose by 11.4 billion dollars, as against 4.4 billion during the fourth quarter of last year. At the same time, expenditures on commodities of short-term use rose less than during the fourth quarter. The rise in capital investments in fixed assets was insignificant. For example, investments in the construction of new enterprises and the modernization of equipment rose by 7.5 billion dollars during the first quarter of this year, as against 2.6 billion during the fourth quarter of last year. According to American economist L. Silk, capital investments in 1977 will be 5-7 percent higher on the whole than in 1976, but they will not reach the 1972 level. The rates of housing construction also rose and, according to some American estimates, the number of new homes will reach 2.1 million in 1977.

Table 1

Changes in Indicators of Economic Development

	1975	1976	Fourth Quarter of 1976	First Quarter of 1977
GNP, in 1972 prices*	- 1.8	6.1	0.6	6.4
Industrial production*	-11.0	6.8	0.6	2.3
Percentage of capacities used in processing industry	68.1	80.1	80.5	85-87**
Gross capital investments*	-24.3	24.0	-3.1	4.4**
Consumer expenditures*	1.4	5.6	1.7	1.4**
Rate of increase in prices for the year, %	12.5	6.0	6.0	6.5
Rate of unemployment (on the average, in % to total labor force)	8.5	7.7	7.9	7.0

* In percentage to preceding period of equal duration.

** Estimated by author by means of extrapolation.

Calculated according to: SURVEY OF CURRENT BUSINESS, March 1977, p 5; July 1976, p 24; FEDERAL RESERVE BULLETIN, January 1977, pp 10, 99, A-47; "Economic Report of the President, 1976," pp 208, 211; FORTUNE, May 1977, p 41; INTERNATIONAL HERALD TRIBUNE, 20 May 1977, p 9.

Table 1, which has been compiled on the basis of American official references, illustrates the rise in some of the basic indicators of the U.S. economy for the current year. The contradictory and intermittent nature of its development is completely evident. For example, a few of the indicators declined during some months. In January, for instance, the total volume of industrial production decreased by 0.8 percent. During the first quarter, 31.5 million tons of steel were smelted, as against 33.2 million during the same period of the preceding year. In February, 697,000 motor vehicles were produced instead of the 781,000 expected by the corporations. During the same month, the rate of housing construction slowed down. One of the main reasons for all of this was the cold winter, during which time the gas shortage became acute.

During the first half of 1977, threatening symptoms of a new wave of accelerated inflation and rising prices appeared. As a result of the cold winter and the shortage of energy resources in the northeastern states, the prices on oil, benzene, gas and some other types of raw materials rose. The drought in the western states contributed toward a rise in the prices of several types of agricultural products, particularly fresh vegetables, fruit, poultry and eggs. According to President J. Carter, "the pressure of inflation is growing stronger." During the first 3 months of this year, the average consumer price index rose by more than 9 percent and the wholesale price index rose by more than 10 percent.

The further development of inflationary processes was largely promoted by the policies of the government itself. This refers primarily to the high level of defense expenditures, which will amount to 113 billion dollars during the 1977 fiscal year, while an even higher, record sum of 118.5 billion is planned for the 1978 fiscal year. The augmentation of the defense budget at a time when larger sums are being allocated for the creation of jobs and the professional training of manpower in accordance with the Carter Administration's program for economic stimulation is aiding in the perpetuation of the huge deficit in the federal budget, an increase in the amount of money in circulation, a new rise in the national debt and the deterioration of the capital market; all of this results in an inflationary rise in prices. The government's intentions to revive the practice of subsidizing milk, corn and wheat prices primarily in the interests of large-scale capitalist farming and to impose restrictions on imports of footwear and several other consumer goods are also stimulating the rise in prices. The proposed restriction on sugar imports would raise prices on candy.

Table 2

Dynamics of Federal Budget, in Billions of Dollars

Sub-heads	Fiscal Years			
	1976 (Actual)	1977 (Projected)	1978 (Projected)	1979 (Projected)
Revenues	300.0	354.0	401.6	454.4
Expenditures	365.5	422.0	459.4	476.9
Deficit	- 65.5	- 68.0	- 57.8	- 22.5

The monopolies have also contributed to the rise in prices by again raising the prices on some of their own products. For example, United States Steel and Republic Steel raised the price of steel in May. Union Carbide raised the list prices for tungsten items as of 1 June 1977.

The rise in interest rates in connection with the greater demand for credit at a time of economic recovery also has this effect. In May and June, some of the largest commercial banks raised their prime interest rates from 6.5 percent to 6.75 percent.

The foreign trade positions of the United States became worse. There is a deficit in the balance of trade once again: during 6 months of this year alone, it amounted to 12.5 billion dollars, which was greater than the total deficit for 1976 (6 billion). The tendency toward an excess of imports over exports is connected with the growing dependence of the U.S. economy on foreign suppliers of fuel and raw materials, which, as a whole, constitute 30 percent of all imports, and with the processes of economic recovery, which call for an increase in the imports of many types of commodities. Another important factor may be found in the activities of American trans-national monopolies, which are importing the relatively cheaper products of their overseas branches to the United States in larger and larger quantities. The negative balance of trade has contributed much to the latest deficit in the balance of payments. According to Treasury Secretary M. Blumenthal, the negative balance of payments for short-term transactions will amount to 10-12 billion dollars this year.

Despite this fact, the dollar gained a somewhat stronger position in the world currency markets in 1976 and the first month of 1977. First of all, less pressure is being exerted on the dollar in connection with the acute critical state of the other major capitalist currencies, such as the pound sterling, the French franc and the Italian lira. Besides this, the influx of "hot money" from the Western European countries due to the critical state of their currencies, as well as "petrodollars" (11.5 billion in 1976), made it possible for the United States to compensate for a significant part of its growing foreign expenditures and led to a relative improvement in the position occupied by the dollar in the currency markets during 1976 and the beginning of 1977. While in 1972-1973 official U.S. gold currency reserves amounted to 13-14 billion dollars, the figure had risen to 18.9 billion in April 1977. But the dollar is still unstable and, at the end of July of this year, its rate of exchange suffered a dramatic decline.

The severe after-effects of the economic crisis and the heavy load of other unsolved problems forced the Carter Administration to take broader measures in the area of economic policy than the Ford Government. For example, immediately after the inauguration, a program for economic stimulation for 1977-1978 was submitted to Congress; it provided for a small cut in income and corporation taxes, the allocation of federal funds for the expansion of public works and the professional training of blue- and white-collar workers,

etc.¹ In contrast to Ford's program, which placed major emphasis on the fight against inflation, the Carter program is aimed more at a struggle against unemployment.

In April, Carter submitted a new long-range energy program to Congress. The main objectives set in this program were a reduction of approximately 2 percent in the annual rate of increase in the consumption of all types of fuel, an absolute reduction of 10 percent in gasoline use, the improvement of home insulation, the stabilization of oil imports, an increase of more than two-thirds in coal production, the development of nuclear power engineering and the more extensive use of solar energy. It proposes the imposition of additional taxes on gasoline and would allow private companies to raise the prices on oil from new wells; these measures will work to the detriment of the general public. An energy conservation plan has already been approved, in the beginning of 1977, and the price controls on gas have been temporarily lifted. Plans are being made for their permanent cancellation in the future. Even the American press has called some of these measures obvious concessions to the monopolies, requiring the workers to make greater sacrifices.

On the whole, Carter's plans have evoked serious doubts on the part of prominent American economists, a large part of Congress and even some of the persons working in the executive branch. All of them have come to the same conclusion: The planned guidelines are unattainable. Many experts feel that the effects of the administration's economic program will only be felt in 1978 and express the fear that economic growth might slow down once again at the end of that same year. A congressional budget administration report states that the hope of rapid recovery from the after-effects of the crisis should not be nourished. The rate of unemployment in 1977 will not fall below 7 percent (in June, for example, it rose to 7.1 percent, as against 6.9 percent in May), and the rate of increase in prices will not fall below 6 percent. The Department of Commerce predicts a growth rate of 5 percent in the real GNP, as against the planned 6 percent. It also feels that the rate of public spending will rise more slowly than in 1976.

The Carter Administration's economic program differs significantly from his campaign promises. Under the pressure of monopolistic capital, especially the military-industrial complex, which is interested in a rise in defense orders, the program was revised. The President rejected, for example, his previously declared plan to cut income taxes by 7-12 billion dollars, blaming this on a possible future rise in inflation. The defense budget for the 1978 fiscal year was not cut by 5-7 billion dollars, as was promised earlier, but by only 2.75 billion, which increased the deficit in the federal budget even more--a deficit which has long amounted to many tens of billions of dollars.

1. For a more detailed discussion, see Yu. I. Bobrakov, "Ford's Message and Carter's Program," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 4, 1977--Ed's note.

A large step backward was taken by the President in the area of energy as well. In one of his most important campaign promises, he said that he would break up the oil corporations by means of "horizontal deconcentration," that is, by prohibiting the development of other sources of energy (besides oil and gas) by these corporations and by maintaining price controls on gas and oil. But the energy program of the new administration makes no reference to this plan to break up the energy monopolies. Instead, the oil and gas companies have been granted substantial benefits in the lifting of price controls.

Carter's economic program, which began to be implemented during the first quarter of 1977 and was approved by Congress in its revised form in May, indicates that the government is again resorting to traditional means of bourgeois state regulation. Neither the government nor monopolistic capital is capable of effectively healing such diseases as the cyclical nature of economic development, mass unemployment, inflation and the energy shortage.

In this complex situation, the activities of the administration are under fire by Congress. "Instead of a long honeymoon, friction, suspicion and disagreement are already apparent in the relations between the White House and the 95th Congress," reported U.S. NEWS AND WORLD REPORT. Such liberals as E. Muskie, A. Cranston, E. Kennedy and G. McGovern are obviously dissatisfied with the high level of defense expenditures, the refusal to lighten the taxpayer's burden and the limited nature of the measures to reduce unemployment and of the government's energy policy. Labor unions are criticizing the President for going over to the side of large capital. They are demanding a rise in the minimum wage, improvements in social security and more extensive import restrictions (but this can intensify conflicts with Western Europe and Japan). The conservatives in Congress and outside are opposing the expansion of public works and several other social measures, since this stimulates inflation. Some of Carter's socioeconomic measures, however, have met with the complete support of conservative circles in Congress, including Senator H. Jackson, who is the frankest spokesman for the interests of the large defense concerns.

The unstable rates of economic growth, the slow and interrupted course of cyclical recovery and upsurge, the contradictory nature of Washington's economic policy and its absence of positive prospects have evoked serious worries on the part of the United States' Western partners. The state of the economies in many capitalist nations and the world economic cycle depend much more on the state of the American economy than on any other. In addition to this, the United States' partners are now encountering a multitude of problems analogous to the American problems and have still not been able to overcome some of the consequences and after-effects of the crisis, the effects of which were more severe in these nations than in the United States. All of these factors, along with others, made it necessary to organize a meeting of the heads of the largest capitalist countries in May 1977 for the discussion of the economic problems of the West. But this

meeting, just as the two previous meetings, only pointed up the acute differences of opinion on matters connected with the basic guidelines of their economic policies and did not lead to the choice of any universally acceptable solutions.² The meeting reflected the indisputable fact that the internal economic difficulties of the United States and the other capitalist powers are acquiring a more clearly defined international aspect and are complicating the state of affairs in the capitalist world.

8588

CSO: 1803

2. See A. N. Goncharov and S. A. Otreshko, "The 'Big Seven' in London,"
SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 7, 1977--Ed's note.

ELECTRICITY IN THE U.S. ECONOMY IN THE YEAR 2000

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 65-73

[Article by O. V. Yurygin]

[Summary] One of the main aspects of the program aimed at the creation of an electrotechnical economy in the United States consists in the much more intensive use of electric power in industry, transportation and the home in place of gas and oil. Around 80 percent of the oil and gas in the nation is used for industrial heating purposes, the creation of technological steam, the needs of the transportation network, the heating of buildings and the preparation of food. One of the problems in instituting the use of electric energy on a broader scale consists in the fact that the production and transmission of electric energy are mainly controlled by private companies. This will create considerable difficulties in the development of a nationwide energy policy.

By the year 2000, electric power should account for 25-30 percent of the energy used in industry instead of its present level of 10 percent. In all, more than 40 percent of the electric energy produced will be used for industrial purposes. Extensive opportunities for the use of electric power have been discovered in metallurgy, and promising methods for the creation of technological steam with the aid of electricity have recently been worked out.

Electricity used in the home accounts for one-third of all the electrical power used in the United States, and this percentage will remain the same in the future. The most promising area for the use of electric energy in the home will be found in electrical heating systems. The demand for electric stoves, air conditioners and dishwashers is also increasing. Household appliances now use one-fifth of all the electric power produced in the nation. This percentage may drop somewhat in the future when energy-saving appliances are developed.

The use of electric energy will make great changes in transportation, responsible for 60 percent of the nation's total oil consumption in 1973-1974. The transfer of all existing means of land transport from oil to electricity would lead to a savings of around 240 million cubic meters of oil each year. Electric-power transportation systems are to be developed for urban mass transit and interurban commuter traffic. The transfer of the 40,000 kilometers of railroad, over which around 60 percent of all railway freight is shipped, to electrical power would save 7.6 million cubic meters of diesel fuel a year. This would also permit the railroads to take over 50 percent of the freight now shipped by truck and 10 percent of airline passenger transport.

In 1975, there were already 55 atomic electric power stations with a total capacity of 36 million kilowatts in the United States. This was around half of all of the operating stations of this kind in the world. Two-thirds of the stations in the construction stage or on order also belong to the United States. By 1980, there will be around 100 of these and, by 2000, the number may reach 1,000. The growing demand for electric power will make it necessary to develop new systems for its transmission to the consumer. At present, the possibility of transmission by means of ultrasonic electric power lines is being investigated.

8588
CSO: 1803

'OUR WORK SERVES PEACE'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 74-76

[Interview with Doctor Allen H. Kassof, executive director of the International Research and Exchanges Board]

[Text] In accordance with the general agreement between the USSR and the United States on contacts, exchanges and cooperation of 19 June 1973, permanent ties encompassing the sphere of the social sciences and the humanities have been established between the USSR Academy of Sciences and the American Council of Learned Societies. Meetings of prominent scientists, members of the bilateral commission for the supervision of this work are held every 2 years. In 1975, Tarrytown, close to New York, was chosen as the site of the meeting of the bilateral commission, and its latest meeting was held in Moscow in June 1977. A discussion on the considerable expansion of the sphere of cooperation by representatives of the social sciences and the humanities and the inclusion of new scientific fields and specific research topics in this sphere was held under the supervision of the two cochairmen of the commission--Academician N. N. Inozemtsev, director of the Institute of World Economics and International Relations of the USSR Academy of Sciences, and Doctor Robert M. Lumiansky, president of the American Council of Learned Societies.

The American side sent many prominent representatives of the social sciences and the humanities to this meeting, including Doctor James Van Stone, curator of the North American Museum of Natural History, Archeology and Ethnology; John K. Fairbank, prominent sinologist and professor at Harvard University; Doctor Wassily Leontief (New York University), winner of the Nobel Prize for Economics; Doctor Mack Thompson, executive

director of the American Historical Association; Professor Leon Lipson (Yale University), renowned legal educator, and other figures in the scientific community. The members of the American delegation also included representatives of the organization which is directly involved in cooperation within the framework of this agreement. This is the International Research and Exchanges Board; the executive director of the council is Doctor Allen H. Kassof, the man who actually organizes cooperation by scientists working in the humanities and social sciences from the American side.

At the request of our correspondent, Doctor A. Kassof discussed the activities of the organization he heads.

Question: Please tell us about the council, its objectives and plans.

Answer: The International Research and Exchanges Board, or IREX for short, was founded by the American Council of Learned Societies in 1968 to organize cooperation with scientists from the socialist countries of Europe. We have established permanent contacts with virtually all of the socialist countries of Europe. But while exchanges between Soviet and American scientists were previously limited to a single occasion and took place on an individual basis, now that an intergovernmental agreement has been signed and a bilateral commission has been established the matter has been placed on a planned basis and these contacts are constantly being expanded. In particular, we have established close ties with the USSR Ministry of Higher and Secondary Specialized Education and the USSR Academy of Sciences and are exchanging students and senior scientific personnel with them, as well as foreign language instructors. But the main thing is that joint research by scientists from both nations, the Soviet Union and the United States, has also been organized in recent years.

Question: How many specialists are involved in these exchange programs each year?

Answer: We accept approximately 50 students and 20 senior scientific personnel from the Ministry of Higher Education and 20 scientists from the USSR Academy of Sciences; 35 foreign language instructors come to us for summer school. We send approximately the same number of students, instructors and scientists to the USSR.

Question: What organizations support--in the financial and organizational sense--the activities of IREX?

Answer: Our organization was founded by the American Council of Learned Societies and is directly subordinate to it; this council unites American scientists working in the humanities and social sciences in the same way that the National Academy of Sciences unites those working in the natural

sciences. We receive support from the Ford and Rockefeller foundations, the U.S. State Department, several private corporations and, finally, 102 American universities, which are our collective members and which accept scientists from the Soviet Union from time to time at their own expense.

Question: Please tell us more about the fields in which Soviet and American scholars in the humanities are cooperating.

Answer: I will be happy to list the specific areas of joint research.

Experts in textual studies from both nations held a meeting at Indiana University in Bloomington to discuss the principles and methods of publishing the texts of national literary classics; the meeting resulted in recommendations reflecting the most valuable experiences of both nations. The same kind of meeting was held to discuss the procedures for establishing the history of national literatures. Soviet scientists from the Institute of World Economics and International Relations will work with Professor W. Leontief to compile a forecast of world economic development up to the year 2000, taking demographic tendencies, energy, raw material resources and their utilization, environmental protection and so forth into consideration. As you can see, scientists are finding a common language, not only in the natural sciences but in the social sciences as well, and are conducting joint experiments....

Anthropologists and archeologists will study reciprocal cultural influences and conduct joint investigations in Asia and America; the possibilities for joint research on the archeology and cultural history of Armenia are being studied. There are many people with an extremely long lifespan in your Georgian SSR, particularly in Abkhaziya, and in our states of Maine and Kansas. What is this phenomenon? Is it the result of genetic factors, or the cultural effects of the natural or social environment, or socio-psychological influences? There is a group of American scientists in Tbilisi now, studying this phenomenon from the bio-anthropological and socio-ethnographic standpoints, and Soviet specialists will come to us for field studies and laboratory work. It is possible that the combined efforts of these scientists will finally satisfy everyone's curiosity about the "secret of long life"!

Specialists from the USSR and the United States are conducting joint research on East Asian matters, particularly sinology: research topics include 17th-century Chinese history, the Confucian philosophy and others. The research on the use of quantitative methods in the study of history promises to be productive. Colloquiums are regularly organized for historians from both nations. Studies will be organized in the field of linguistics, especially semiotics, art history and musicology. Joint experiments by American and Soviet psychologists are to be conducted in Moscow and New York.

Economists are concentrating on research on Soviet-American trade, scientific and technical progress, the economics of labor, ecology, the impact of

capital investments, etc. A joint work by Soviet and American economists on theoretical and procedural aspects of economics is to be published in honor of the Soviet scientist, Academician V. Nemchinov.

Jurists are primarily interested in Soviet and American legislation on foreign economic relations and the legal aspects of Soviet-American trade, as well as the interrelations between local and central organs of state control in both nations, the codification and further development of international law and the educative role of law.

The theories and political aspects of international detente, the problems of individual world regions and the possibility of reaching an agreement on disarmament and arms limitation are some of the topics that interest experts on international affairs from both nations.

On the basis of current social indicators, sociologists will work together to study the relationship between labor motivation and the use of time.... Interesting long-range cooperative projects by demographers and geographers are planned. The discussion of problems in documentation and information in the humanities and social sciences has become important, since there is a need for analogous methods for the accumulation, processing, storage and transmission of this information and the establishment of "data banks" and information centers; an informational subcommission, made up of scientists from both nations, is to be established.

Question: Please tell us about your own scientific and social activity.

Answer: My specialty is sociology. I received my doctorate at Harvard and taught at Princeton, and for quite a long time, until I was offered the post of IREX director in 1968. It was hard for me to give up teaching, but I was excited about the opportunity to apply my knowledge and efforts to practical work. After all, I have always been interested in the Soviet Union and Soviet-American relations. And I felt that becoming the first director of an organization such as IREX would mean a wonderful chance to do something of tangible value and to join those who are working toward stronger cooperation between our two nations. This seemed more interesting and more important to me than teaching.... This was the reason for my choice.

Question: How would you rate the success of the cooperation by scholars in the humanities from our two nations?

Answer: The organization of the exchange of scholars and joint research is taking place within the general context of American-Soviet relations and, naturally, certain difficulties are encountered here. They make themselves known even today, but if we look back over the last 5 years, we can see that our success has been simply amazing. The best illustration of this can be seen in the last session of our bilateral commission in Moscow. You can literally see how we are learning to understand one another; each year we

discover more common approaches and areas of agreement and the common hope that it will be possible to solve the most important problems in our scientific fields by means of concerted effort, no matter what kind of difficulties we may encounter. These difficulties are completely understandable; after all, we have completely different academic traditions and completely different systems of values, but it is probably precisely these differences that make it so interesting to watch the process by which differences of opinion are overcome....

I am personally profoundly satisfied with the role I have been given to play in the strengthening of contacts between scientists in our two nations. And I look back on what has already been done with some pride. The main thing is that we have been able to create a solid organizational mechanism for carrying out this kind of cooperation. A common foundation has been built to serve continued progress in this area, and with its help we will settle all of the minor details and move on. And is it really necessary to point out the importance of the role being played by scientists working in the humanities and social sciences in the intensification and expansion of cooperation between the populations of the United States and the Soviet Union! Our work indisputably serves the cause of peace.

8588

CSO: 1803

INTER-UNIVERSITY TIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77 pp 77-79

[Interview with Academician R. V. Khokhlov, rector of Moscow State University, Professor John T. Murdock, president of the Consortium of Midwest Universities on International Relations, Professor George P. (Krepo), associate dean of Ohio State University and chairman of the board of directors of the consortium, and Professor Leon Twarog, director of the Center for Slavic and Eastern European Studies of Ohio State University, by V. A. Voyna]

[Text] Soviet-American cooperation in the area of higher education and science has recently been marked by the establishment of direct contacts between interested institutions in both nations. In October 1976, the first agreement on direct contacts between Moscow State University imeni M. V. Lomonosov and the State University of New York was signed.¹ This was followed by other important events in the reinforcement of inter-university ties: A delegation from the Kiev State University imeni T. G. Shevchenko visited the United States and agreed with American colleagues on the establishment of analogous ties. In May of this year, representatives from seven large universities in the American Midwest-- Illinois, Indiana, Michigan (in East Lansing), Wisconsin, Minnesota, Ohio (Columbus) and Iowa--signed an agreement on cooperation and exchange with the university in the Soviet capital in the Moscow University building in the Lenin Hills.

Our correspondent, V. A. Voyna, requested Academician R. V. Khokhlov,² rector of the MGU [Moscow State University], and Professor John T. Murdock (University of Wisconsin), president of the Consortium of Midwest Universities on International Relations, who signed this agreement, as well as members of the American delegation--Professor George P. (Krepo), associate dean of Ohio State University and chairman

1. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 12, 1976.
2. This conversation took place shortly before Academician R. V. Khokhlov's death in August 1977.

of the board of directors of the consortium, and Professor Leon Twarog, director of the Center for Slavic and Eastern European Studies of Ohio State University--to comment on the significance of this document.

Academician R. V. Khokhlov: The significance of this agreement consists, in particular, in the fact that it will develop our initial experience in cooperation, which was secured by last year's agreement with the State University of New York. At that time, we still did not know the particular kind of difficulties we might encounter during the course of its fulfillment, but now we have been able to provide for a more precise and perfected mechanism for the resolution of all procedural and organizational problems arising during the process of the exchange of specialists, the organization of joint scientific research and so forth.

Naturally, however, the formal side of the matter is not the main thing. The important thing is not the methods, but the goals both sides set for themselves when they were working on the text of the agreement.

What is more, when we compare the present agreement with the first one concluded with the State University of New York, we see that one of the goals set in the previous case was to provide a large number of students, graduate students and instructors, particularly the young ones, with the opportunity to visit the United States for the purpose of acquiring a good knowledge of American area studies and practice in the language, acquainting themselves with teaching methods in their field, establishing useful contacts in the academic world and gaining access to libraries, archives and reference works. The quantitative indicators that were set were relatively high: Each year, nine persons could visit the United States for a full academic year (10 months) or, correspondingly, a larger number of students and specialists could go there for a shorter period of time, so that the total duration of the exchange program would not exceed 90 man-months. In the future, this figure will rise to 120 man-months annually and most of the increase will be accounted for mainly by professors and instructors.

As for the qualitative impact of the cooperation, it is largely determined by the scientific qualifications of exchange program participants. While the norm set in the second agreement is 30 man-months a year, this refers to specialists of the highest qualifications and of the senior professorial rank. The courses taught by prominent scientists and the joint research, experiments and theoretical studies will be of great value.

A second important factor on which the qualitative impact will depend is the degree of scientific development in the universities to which the specialists are sent. It must be said that the seven universities in the Midwest, with which we have signed this agreement, are not "provincial" academic institutions in any sense, as might seem to be case to anyone who is not acquainted with the geography of scientific research in the United States. I will cite just one illustrative example. The largest accelerator

in the world is located in Batavia, Illinois. The scientific and educational centers making up the consortium are, as a rule, of the highest category and are famous far beyond the boundaries of America. Naturally, not all disciplines have received equal development there, and this would not even be possible, but each has its own special field in which it has achieved outstanding success and has established large schools. When we send our specialists to these universities, we will be able to choose the schools and science departments of greatest interest to us, and we will also strive to ensure that the natural sciences, the social sciences and the humanities are equally represented in the exchange program (this is given special emphasis in the text of the agreement).

This is why we expect the results of the upcoming exchange program to be outstanding. As a physicist, I am happy to say that interesting prospects are opening up in this field, but new, helpful forms of cooperation will also be used to develop other fields.

I must point out the fact that all of the schools and departments of the MGU will be accessible to the American participants in the exchange program, and the same will be true of any department in the universities belonging to the consortium--they will be accessible to the Soviet specialists, and, if necessary, they will also be able to visit another university in the United States (or two) at the expense of the host country. The same kind of trips are being organized in our nation. Many other benefits to facilitate the studies, traveling and living conditions of these individuals are also stipulated in the agreement on a reciprocal basis.

Every 2 years, both sides will exchange delegations to analyze the fulfillment of the agreement.

The subject matter of the research projects and courses envisaged in the agreement will be determined annually by means of an exchange of proposals. Research projects will be conducted separately and jointly, with the involvement of scientists participating in the exchange program.

Incidentally, last year's agreement with the State University of New York evoked a great deal of interest in American academic institutions, as a result of which some universities have addressed proposals on cooperation to us. I am convinced that the new agreement will evoke even greater interest in exchange programs in the United States.

The document that has been signed is an excellent example of the business-like cooperation between the USSR and the United States, our contribution to the cause of detente, the improvement of relations between the people of our two countries and the consolidation of peace throughout the world.

Professor J. Murdock: The Consortium of Midwest Universities on International Relations was founded in 1963 for the more active participation by American universities in international scientific activity and in the

exchange of students and scientists. We decided to unite the resources of seven higher academic institutions in the Midwest for more effective participation in international activity on the basis of a unique type of cooperation and "division of labor." Foreign ties are of great interest to us; in general, they are of great benefit to all participants in such exchange programs. We are awaiting the results of the exchange program with Moscow University with high hopes and are expecting this program to reinforce the spirit of mutual understanding and cooperation between our nations. This kind of cooperation can be of great advantage. Although the agreement is formally stipulated for a 2-year period, we are certain that it will be extended over and over again at the end of each successive period....

My field is soil science, and at the MGU this field has received excellent development. As a matter of fact, it was precisely Soviet soil science that made this sphere of knowledge a genuine science. Just as Academician R. V. Khokhlov, I am very pleased that the conclusion of this agreement will lay the foundation for the planned cooperation by scientists in my field from the seven American universities with their Soviet colleagues.

Professor L. Twarog: I visited the Soviet Union for the first time in 1957, and since that time I have done everything possible to strengthen American-Soviet relations in my field, namely the study of Slavic and Eastern European languages and literature. We have had several Soviet students; a few days ago I met an acquaintance of mine, a philosopher from Moscow, in the university cafeteria. And today, at the signing ceremony, I saw some of my Soviet guests who visited my home in Columbus. This shows that contacts between the scientists of our nations have become an everyday matter....

Incidentally, our Center for Slavic and Eastern European Studies has also concluded an exchange agreement with the Russian Language Institute imeni A. S. Pushkin in Moscow. As you can see, we are cooperating quite actively.

For me, today's event is a double holiday, since it also happens to be my birthday. I am willing to accept congratulations on both events at the same time....

Professor G. (Krepo): By initiating the discussions which led to the signing of the two important agreements on inter-university exchange in our nations, Academician R. V. Khokhlov, rector of the MGU, has performed a truly great feat.

I am certain that the results of our efforts today will most probably be assessed in the future by the average Midwesterner as well as by students, instructors and scientists. At first the shoots will be barely noticeable, but in time they will produce an abundant harvest.... I can say one thing: The agreement that was just signed is an extremely useful form of cooperation between the United States and the USSR.

BOOK REVIEWS

WORKING CLASS AND BOURGEOIS IDEOLOGY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 80-81

[Review by Ya. N. Keremetskiy of the book "Sovremennyy kapitalizm i rabochiy klass: kritika antimarksistskikh kontseptsiy" (Contemporary Capitalism and the Working Class: Criticism of Anti-Marxist Theories), S. N. Nadel', chief editor, Moscow, Mysl', 1976, 260 pages]

[Text] Progressive mankind is celebrating the 60th anniversary of Great October this year. The growing might of the first socialist state in the world is forcing bourgeois oracles of various leanings to constantly search for arguments for their criticism of the Marxist theory of classes and class struggle. The nature and form of this "scientific controversy" change from year to year, but its essence remains the same. The work being reviewed, which has been compiled by a group of scientists from the Institute of World Economic and International Relations, contains a thorough analysis of the theories of bourgeois and revisionist ideologists, who are taking advantage of the new developments and tendencies in the changing structure, financial status, sociopolitical strength and social psychology of the contemporary working class.

The intensification of class conflicts has forced bourgeois apologists to resort to a more flexible line of reasoning. This new line of reasoning, as the work shows, has been made necessary by the ineffectiveness of the earlier gross criticism of the allegedly "obsolete" Marxist-Leninist premises on the place and role of the proletariat in the capitalist society.

The authors conclusively prove that bourgeois theories describe the class relations of developed capitalism in a superficial and distorted way. This is particularly true of their ideas about the effect of the scientific and technical revolution on the position occupied by the working class in national production. With the aid of a simplified technological approach, bourgeois economists and sociologists are trying to establish the myth that the working class ceases to be the chief productive force in society at a time of scientific and technical revolution. The authors of this work show that the working class, as a creative force, is playing an even more

important role in national production than ever before due to the new structure of productive forces arising from the scientific and technical revolution.

It is incorrect to regard the contemporary working class as a group consisting solely of "workers engaged in physical labor," but it is just as incorrect to automatically include the entire hired intelligentsia in this group, since the intelligentsia is made up of elements that are heterogeneous in terms of class and social status. An analysis of the bourgeois political theories of "deproletarization" and the "new working class"--the scientific and technical intelligentsia working for hire--is accompanied by a thorough examination of bourgeois ideas about the social boundaries of the working class and the tendencies in its development.

The work contains detailed criticism of the false bourgeois idea about the "historically determined disappearance" of the industrial workers at a time of scientific and technical revolution and the increasing percentage accounted for by branches of nonphysical production in the economy. An analysis of the professional qualification structure of factory and plant workers and of their changing numbers suggests that this segment of contemporary working class is still the basic nucleus of the army of hired labor.

During the 1970's, at a time of growing mass unemployment, the bourgeois state and the monopolies have begun to use it on an even broader scale to exert pressure on the wages of white- and blue-collar workers. The work being reviewed contains a thorough analysis of the class content of bourgeois theories of employment control, showing that all of them represent an overt or covert rejection of the ideal of full employment. But it is precisely the desire for full employment, the desire to put an end to unemployment, that represents, as the materials in the work show, the meaning of the struggle being waged by the working class in this decade.

The intensification of the economic struggle at this time is also attaching great ideological and political significance to the analysis of bourgeois theories about the balance of class forces in the labor market. These theories are marked by large capital's vital interest in undermining the labor unions' "monopolistic power" in the labor market, that is, organized resistance by the workers against the despotic setting of wages by large capital. The authors thoroughly investigate the theories reflecting the use of the method of "liberalism," compromises and reforms by the ruling class when it is opposed by a mass workers' movement.

Bourgeois reformist theories of social manipulation--profit "sharing" and the involvement of workers in production management--are also subjected to severe criticism in the work. The authors reveal the depravity and impracticability of ideas about the social integration of the workers into the system of capitalist production and the idea of "social partnership." It has been impossible to implement these ideas in labor practices for any significant length of time.

The attempts made by bourgeois and social-reformist ideologists to replace the revolutionary Marxist theory of the alienation of the working class from private ownership with the bourgeois reformist theory of the cultural and political alienation of the individual in general are also subjected to severe criticism. This "new version" of alienation, the authors state, is aimed at a completely concrete role--over-emphasis on the question of human rights, which leads to a situation in which this matter is isolated from the total social class context and the need to improve the living and working conditions of the working class is ignored.

The criticism of anti-Marxist beliefs about the contemporary working class in the book logically concludes with polemics with the bourgeois and social reformist theoreticians who have rejected the main conclusion of the Marxist-Leninist theory of classes and class struggle--the idea of the historic inevitability of the revolutionary replacement of capitalism with socialism and the creation of a classless society. The contemporary Marxist view of the origins of the working class' revolutionary nature is described in this section. The 1960's and, in particular, the 1970's have irrefutably confirmed the Marxist idea that developed capitalism is not capable of satisfying either the growing material demands or the new social needs of the working class. This is the main reason for the evolution of the class struggle into a political struggle against the entire system of state-monopolistic capitalism. The class awareness of the working class is becoming class political consciousness with historic inevitability. This process has enveloped the working class of the United States as well as that of Western Europe. The authors come to the scientifically substantiated conclusion that the new tendencies in the development of the working class completely corroborate the Marxist theory of classes and class struggle despite all attempts by bourgeois ideologists to represent this theory as one that is "obsolete" and "inapplicable."

8588
CSO: 1803

CONTRADICTORY RECOMMENDATIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 81-84

[Review by V. S. Guseva of the book "Setting National Priorities. The Next Ten Years," ed. by Henry Owen and Charles L. Schultze, Washington, The Brookings Institution, 1976, 618 pages]

[Text] The latest Brookings Institution study in the "Setting National Priorities" series does not examine U.S. priorities for the coming year, as previous studies did, but for the next decade. The authors have set themselves the goal of analyzing the most important and urgent problems the United States will have to face in coming years in the area of foreign policy and international affairs. In addition to this, they have attempted, as H. Owen and C. Schultze, editors of the work, write in their introduction to the book, to examine domestic and foreign policies in their interaction and interdependence, since "anything done in the domestic sphere must have an effect on foreign policy, and vice-versa" (p 13).

The thorough analysis to which the subject of the work is subjected, the high qualifications of the authors of the work and the prestige of the institute under whose aegis the book has been published, as well as the fact that the publication year was the same as the year of the presidential election—all of this gives the work the character of a set of instructions issued to the new administration by the "academic community."

Seven chapters are devoted to domestic policy. They discuss ways of stabilizing the economy, the problem of the distribution of federal budget funds, energy and environmental protection, government policy in the area of public health, labor conditions and income distribution, and the relations between the executive branch and Congress.

It is indicative that, while ten years ago the main sociopolitical problems of the United States were examined by researchers from the standpoint of the best way in which the government might solve these problems, now the analysis begins with the question of whether the government will be able to cope with them at all. In general, the authors answer this question in the

affirmative. Moreover, they even believe that several "impressive achievements" can be ascribed to government policy in regard to domestic problems. One of these, as G. Perry points out in the chapter on "Stabilization Policy and Inflation," is that the average rate of unemployment has been maintained on a lower level than before the war and recessions have been much less severe during the postwar period.

At the same time, the assessment made by the Brookings Institution specialists in regard to Washington's ability to solve domestic problems is clearly two-sided. On one side, there is skepticism about the government's ability to "intervene in the social and economic affairs of the nation and deal with them successfully," and on the other there are insistent demands for "more active intervention" by the administration (p 8).

The authors of this particular collection of articles devote much more space to the foreign policy problems of the United States than in the previous works in this series. Foreign policy, they write, can be effective if it corresponds to U.S. interests to the maximum. In order to serve this purpose, it must be aimed at the prevention of war. "The prevention of nuclear warfare," writes H. Owen in the chapter on "Peace or War," "should be our central concern," because "if this kind of war should begin, it will eclipse everything else" (p 15). And if U.S. foreign policy, H. Owen continues, is aimed only at this goal for the next 10 years, it will have "served its country well" (p 16). Proceeding from this major goal, he concentrates his attention "not on all, and not even on the most important problems in U.S. foreign policy," but only on "areas of conflict" which might lead to this kind of war.

The author is quite insistent in recommending that the new administration avoid any kind of confrontation with the USSR. In the course of this discussion, however, he takes upon himself to categorically assert what the USSR "will do" during the next decade and what it "will not do," how the Soviet leaders will "act" and how the American Administration should react to these "acts." He formulates the general line in Soviet-American relations in the following way: "We must maintain obvious and convincing military strength from year to year, but without steps toward provocation, we must be receptive to healthy negotiations, but we must not lose our heads." The author's recommendations boil down to the fact that the emphasis in Soviet-American relations should be placed on specific areas "rather than indulging in illusions about East-West relations" (pp 47-48).

Naturally, the author argues, the most obvious way of avoiding all conflicts would consist in withdrawing U.S. armed forces from all overseas locations and canceling all military obligations overseas "if we did not have vitally important interests there." But the United States does have such interests in at least two regions--Western Europe and Japan--and the Americans, he says, "both inside and outside the government, agree that the nation must assume these costs and subject itself to these dangers" for the sake of ensuring that these two regions "do not fall under the influence of forces hostile to the United States" (p 16).

As we can see, the myth of the "danger" of outside "hostile forces" has again been taken out of cold storage by H. Owen to substantiate the need for a close alliance on the part of Western Europe and Japan with the United States. In general, the idea of this kind of "trilateral" alliance, which would encompass the spheres of military and economic policy, is expressed quite persistently in the book. The establishment of this kind of alliance in the future is even proclaimed "an ideal" of U.S. foreign policy (p 6). The natural assumption here is that Washington will retain the leading role, since the authors base their discussion on the fact that foreign policy "must correspond to U.S. interests to the maximum." It turns out, in the opinion of H. Owen et al, that the other members of the future "ideal" community, including Japan and Western Europe, will waive their own interests.

In reference to the situation in Western Europe in the near future, H. Owen predicts: "The EEC and NATO are likely to survive, even if in altered form" (p 25). He not only admits the possibility of changes in the relations between Western Europe and the United States, but even considers them to be inevitable in certain areas. For example, in his opinion, NATO is swiftly turning into an American-West German alliance in the military sense, which might "increase tension in Western and Eastern Europe and, over the long range, weaken the support for the alliance in the FRG and the United States." He speaks in favor of "more effective military cooperation by the FRG, France, England and the Benelux nations," which would aid in reducing the direct military role of the United States (p 27). The author predicts the greatest changes in Southern Europe. He warns against intervention in their domestic affairs, which "are beyond our control" (p 28).

Relations with Western Europe are also discussed in the chapter "Toward a New Consensus in U.S. Defense Policy" (authored by B. Blechman, R. Berman, M. Binkin and R. Weinland) and in the chapter "The United States in the World Economy" (authored by E. Fried and P. Trezise). These chapters express the idea that the economic and military relations between the United States and Western Europe should be directed toward the establishment of an atmosphere of trust and security for the better promotion of the more rapid integration of Western Europe. In general, the following conclusion is drawn in regard to Western Europe: "We must promote this tendency (integration--V. G.) in every way possible. And although the growing role of Europe might give rise to certain problems and definite risks for the United States, this course would still seem to be the most promising in preventing it from growing weaker" (p 28).

In reference to the state of affairs in Japan and in Northeast Asia in general, H. Owen feels that the chief objective of the United States in this region should be the "prevention of conflict in Korea," since this kind of conflict could cause the interests of the United States, Japan, the USSR and the DPRK to clash, which would be extremely undesirable.

In addition to the two major regions in which the United States has "vitally important" interests (Western Europe and Japan), the author also points to Israel and the Caribbean, where Washington is particularly interested in preventing conflicts. And the relations with Israel, the book states, "touch upon the entire issue of the Middle East, where there is the greatest risk of war" (p 56). The authors make absolutely firm recommendations in regard to U.S. policy toward the Middle East in general and Israel in particular: "Every kind of encouragement and support of Arab-Israeli negotiations for the purpose of reaching a general settlement must for this purpose be the most urgent concern of the next administration in the sphere of foreign policy" (p 22).

In general, a reading of this study leaves one with the impression of contradictory recommendations, both in regard to the resolution of the most urgent socioeconomic and domestic political problems of American society in coming years and in regard to foreign policy. While H. Owen unequivocally calls the prevention of nuclear war the most important national priority, other authors discussing military policy for the next decade suggest that one of the basic guidelines for the persons determining this policy should be that they "remember the real" purpose of the armed forces, that is, combat operations (in recent years, emphasis has been placed more on political aspects, such as "containment," "trade benefits," etc.--p 125); defense expenditures should be increased rather than reduced (p 128). "It is possible that this will displease many." they state, "but there is no other alternative.... Military strength continues to play an important role in international affairs. A nation can only defend itself and its interests abroad if it is willing to spend the necessary funds to retain a safe military position. Only this will make it possible for its opponents to see that the wisest course lies in the mutual reduction of arms and the development of a reliable mechanism for relations of cooperation. Then, and only then, appropriations for defense can begin a new downward climb" (p 128).

In this way, the authors call for the reduction of arms by means of...an arms race. Moreover, they act as if they have not heard that several agreements on the mutual reduction of arms have already been concluded by the USSR and the United States and are already in effect. In precisely the same way, a mechanism has already been established for relations of cooperation--multilateral as well as bilateral. This is referred to in the Final Act signed in Helsinki. By closing their eyes to these facts, the authors make recommendations that push U.S. foreign policy back to the end of the last decade and, in this way, undermine the statement made by the editors of the work in regard to the priority of a policy aimed at the prevention of nuclear war.

8588
CSO: 1803

MULTINATIONALS: THEIR STRATEGY AND POSITIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 84-86

[Review by A. B. Klyuyev of the books "Transfer Pricing in Multinational Firms" by Lars Nieckels, New York, John Wiley and Sons, 1976, 190 pages, and "Global Reach. The Power of the Multinational Corporations" by R. Barnet and R. Muller, New York, Simon and Schuster, 1975, 508 pages]

[Text] "Transfer Pricing in Multinational Firms," a book by Swedish economist Lars Nieckels, and "Global Reach. The Power of the Multinational Corporations," a work by Richard Barnet and Ronald Muller, represent studies of the positions of international monopolies¹ and the economic mechanism governing their operations. The American economists have attempted to present a comprehensive analysis of the problems of these monopolies. Barnet is already known to the Soviet reader by other works, which are mainly concerned with politics and the problem of militarization.²

The central topics of these studies are the issues connected with the place and role of these monopolies in the contemporary world economic system, the interrelations between the international monopolies and the states in which they are located, some of the aspects of the economic strategy of these monopolies in the developed capitalist nations and the developing countries and their actual effect on some of the global problems of the present day. A. Nieckels' book contains econometric computations and the procedural conclusions of the author. R. Barnet and R. Muller do not resort to the use of extensive statistical computations or their own estimates, but they do attempt to formulate their own position, reinforcing it by means of references to the opinions and views of representatives of various segments of the business, political and journalistic communities.

1. As we know, some bourgeois authors call all international monopolies multinational, even though most of them, and, in particular, almost all of the American monopolies, belong to the capital of one particular nation.
2. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 1, 1973--Ed's note.

On the whole, the authors are frequently inconsistent in their attitude toward the international monopolies. On the one hand, they criticize the monopolies sharply for their policy of robbing the developing countries, their one-sided effect on the economies of these countries and their intervention in their domestic affairs. And in this sense, both books contain a great deal of enlightened factual information. On the other hand, R. Barnet and R. Muller suggest that, in the capitalist countries, it is only the "multinational monopolies that have the modern technology, administrative experience and capital needed for the resolution of the economic and social problems of the planet" (pp 61-62).

Both books examine the negative effect of the international monopolies on the U.S. economy in detail. In Nieckels' opinion, the activities of these monopolies primarily affect the balance of payments, employment, the marketability of commodities, technology, etc. (p 7). Barnet and Muller confirm this thesis by saying that the transfer of a number of enterprises and production units overseas leads to a larger deficit in the nation's balances of trade and payments and a considerable reduction in the number of jobs. Many of the examples cited by the authors attest to the fact that the activities of the international monopolies are not only causing the U.S. Government to lose its ability to influence the American economy, but also deprive it of independence in the sphere of foreign policy; after all, in terms of their size and power, many American international monopolies can be compared with some capitalist states. The authors assert that, "since economics has become the main content of policy, power has been taken over by the largest economic organizations, that is, the corporations capable of using the world economy to the greatest advantage" (p 74). This leads to the conclusion that "the concentration of economic power in private hands substantially complicates the task of governing a 'sovereign state'" (p 74). The book describes the process by which government circles merge with the owners of the largest international monopolies and stresses the fact that decisions are usually made in the interests of the monopolies rather than in the interests of the national economy. Barnet and Muller compare the American Government to a conductor "who discovers in the middle of the concert that his leading musicians have left" (p 261).

The authors cite statements by around two dozen presidents of the largest international monopolies, who frankly express their conviction that "governments have become obsolete as political organizations" and that the international monopolies are supernational organizations and do not need governments. Speaking in defense of the interests of the dominant class in the United States and simultaneously presenting a more cautious assessment of the prospects for the retention of the positions of American monopolies in the world market, the authors actually agree with those who feel that the international monopolies only need the kind of government that guarantees "the freedom of movement of capital and commodities, the regulation of the labor market and the stabilization of the private economic sector" (p 93).

A great deal of space in the books being reviewed is devoted to the major aspects of the monopolies' economic strategy in the developed capitalist nations and the developing states. The objective of this strategy, in the opinion of Barnet and Muller, consists in "the establishment of economic conditions that will guarantee the global enterprises stability, production expansion and high profits" (p 152). The same idea is stressed by Nieckels as well. He asserts that it is precisely due to the international nature of their activities that these monopolies have certain opportunities that are not given to companies operating only within their own national boundaries. In particular, this applies to the use of transfer prices, the minimization of tax payments, methods for the financing of new construction and the remodeling of enterprises by means of the mobilization of capital in other nations, and the scales and forms of the monopolies' influence on business groups and governments in those nations where they operate.

The books show how the international monopolies are attempting to maximize their profits by locating the headquarters of their production branches in nations with the most favorable taxation laws: in Liechtenstein, the Bahama Islands and Panama, that is, in those nations that are called a "tax haven" in economic literature.

According to the authors of both books, the mechanism of transfer prices occupies a special place in the economic strategy of the international monopolies. L. Nieckels defines the essential features of transfer pricing and uses mathematical analysis to describe the peculiarities of the establishment and use of transfer prices by international monopolies. He writes: "The multinational corporations...use their opportunities for changing transfer prices...for the purpose of reducing their taxes" (p 175). He bases his discussion on the fact that "the transfer price is the price per unit of product (in any stage of production) which is sold through channels of intracorporate trade in such a way that the given commodity crosses national boundaries" (p 4).

Barnet and Muller present the same kind of detailed examination of the effect of the mechanism of transfer prices on the economies of the developed capitalist nations and the developing states. "When global companies sell and buy goods to and from their affiliates, they set prices which frequently have nothing in common with market prices," the authors state. They feel that "when an American company acts as a buyer or seller (in intracorporate trade--A. K.), the very term 'market' loses its meaning" (p 157). When the international monopolies deliver products to their branches located in nations with high taxes, they set prices higher than market prices, artificially raising the production costs of these branches. For example, the authors report that parent companies have sold their branches in Colombia pharmaceutical goods at prices exceeding world market prices by 82 times. The difference in prices ranges from 30 to 700 percent in Chile, from 50 to 300 percent in Peru and from 75 to 200 percent in Ecuador (pp 158-159). As a result, these countries lose large sums of foreign currency, which become the net profit of those who control the activities of the international monopolies. In 1968 alone, Colombia lost 20 million dollars in foreign currency and another 10 million dollars in taxes (p 160).

In the currency sphere, the international monopolies also make use of the advantages of their parallel operations in many nations. The global enterprises occupy an exclusive position in the international currency market, write Barnet and Muller. They try to pay off their debts as soon as possible in nations where the currency rates are rising and to delay payments in those nations where the currency is weak (p 29). Besides this, the international monopolies have extensive and truly exclusive opportunities for currency speculation, which can impair the currency and finance system of the nations in which their branches are located.

One of the key aspects of the strategy of international monopolies in the developing countries concerns the transfer of technology from the parent company to its branches. "Technology," Barnet and Muller point out in their book, "is the key to economic power in today's world.... The exclusive positions of the monopolies are usually based on modern technology, and they do not have a burning desire to make it accessible to their existing or potential rivals. At the same time, in developing activity on an international scale, the international monopolies have to disseminate their own technology. In doing this, they naturally try to retain maximum control over this process" (pp 162-163).

Finally, the chapters on some of the aspects of control over the international monopolies are not devoid of a certain amount of interest. Barnet and Muller believe that "society will not be able to completely put an end to environmental pollution, employment, control over inflation and so forth if it allows the international corporations to remain the chief organizations determining economic development" (p 375). Nieckels proposes that special provisions be made for national and international control over the activities of international monopolies (pp 167-171).

In conclusion, Barnet and Muller criticize the "code of behavior" of the international monopolies, correctly excluding the possibility that they will voluntarily subordinate their own interests to the interests of the economies of the nations in which they are located. They suggest that this code be replaced by their plan for the restriction of international monopolies on a worldwide scale: "Control over the activities of global corporations by some kind of international agency would be the most acceptable and progressive solution" (p 372). But even this course, in their opinion, will not be effective enough, since no "international agency" is capable of dealing with the arbitrary actions of the gigantic international monopolies (p 373).

8588
CSO: 1803

ECOLOGY AND INTERNATIONAL RELATIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 87-88

[Review by G. S. Khozin of the book "Problema okruzhayushchey sredy v mirovoy ekonomike i mezhdunarodnykh otnosheniakh" (The Problem of the Environment in World Economics and International Relations), R. A. Novikov (chief editor), Moscow, Mysl', 1976, 359 pages]

[Text] The study of the many international aspects of environmental problems and the approaches taken by different states to the use of the planet's natural resources is the difficult but extremely important task that has been taken on by a group of scientific researchers from the Institute of World Economics and International Relations.

The authors of the book realize that the acute nature of the ecological situation in the world makes it objectively necessary to include solutions to this problem among the national priorities of several countries, but the possibility of actual success in the resolution of these problems on the national level and in the sphere of international cooperation will largely depend on the social structures of these states and their political course in the international arena. It is precisely because of this that the basic position occupied by the authors of the book is a correct one in their analysis of the peculiarities of the global ecological situation and the political approaches to the environmental problem in the developed capitalist nations, the developing states and the socialist countries. Another element of the procedural approach to the problem of environment on the scale of the planet is equally important--the disclosure of its dialectical interrelationship with such cardinal processes of the present day as international detente. The success of measures taken to preserve the earth's biosphere is directly related to progress in the area of disarmament. This is attested to, in particular, by the resolutions and other documents of the 31st Session of the UN General Assembly.

The structure of the work being reviewed corresponds to the complexity and multifaceted nature of the issues being investigated. In the first part of the work, the authors describe the problems connected with the environment

and natural resources, discuss their global scale and suggest several possible approaches to their analysis: In terms of content, in terms of functional norms and geographic levels of manifestation and in terms of the criterion of socioeconomic prerequisites for the development of ecological conflicts (p 33). The authors have focused their attention on the socio-economic and political aspects of environmental protection measures, which, in their opinion, are carried out on four levels: Worldwide, regional, subregional and bilateral.

A special section of the book describes the composition and purpose of international environmental protection measures on all four levels. It begins with an analysis of the more effective forms and methods of cooperation in the area of environmental protection at the disposal of the socialist states. The most important feature of this cooperation within the CEMA framework is emphasized: It is subordinated to "the promotion of national economic growth and the welfare of the workers in each socialist country, the augmentation of the strength of the worldwide socialist system and the effective and efficient utilization of national resources as an important source of economic growth" (p 222).

This chapter also demonstrates the limited possibilities of cooperation in the field of environmental protection when it is artificially locked within the framework of the military-political NATO bloc and the Organization for Economic Cooperation and Development (OECD), which unites the developed capitalist states. The authors devote a great deal of attention to all-European cooperation in environmental protection, correctly connecting the prospect for its successful development with the observance of the premises of the Final Act of the Conference on Security and Cooperation in Europe. The practice of organizing all-European congresses or intergovernmental conferences on cooperation in environmental protection and the development of transportation and power engineering should prove to be an important step in this direction.

The section of the book in which several bourgeois theories are analyzed is interesting. The authors of these theories have tried to determine the causes for the intensification of the "ecological crisis" in the developed capitalist nations and to suggest ways of overcoming the crisis. This analysis of non-Marxist ecological theories, both economic and foreign political, conclusively demonstrates their class limitations and the inability of their authors to find the basic methods for solving the large group of socioeconomic and political problems connected with the environment.

8588
CSO: 1803

DETENTE AND THE IDEOLOGICAL STRUGGLE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 88-89

[Review by V. F. Petrovskiy of the book "Mezhdunarodnyye otnosheniya i ideologicheskaya bor'ba" (International Relations and the Ideological Struggle) by V. Larin, Moscow, Mezhdunarodnyye otnosheniya, 1976, 246 pages]

[Text] The ideological struggle, which reflects the class struggle, has always found its way into all spheres of international relations--politics, economics and culture. In the book being reviewed, V. Larin studies the specific characteristics of the confrontation between the two social systems in the 1960's and the 1970's, at a time when the process of international detente was beginning.

The problems connected with this process are so serious that it is not enough to simply make special mention of the fact that it is the right and proper time to deal with them. It is of great importance that V. Larin has used his considerable experience and knowledge of the ideological struggle in the international arena to his analysis of this subject. The book being reviewed is distinguished by its fresh and original approach, not only in the assessment of new events but also in the examination of known problems.

In describing the ideological struggle in international relations of the 1960's and 1970's, V. Larin stresses the fact that it "bears the specific imprint of this phenomenon as a whole: The involvement of large segments of the public in the ideological struggle; the intensification of various types of communications, including ideological information, between the public and the state; the intensive use of the mass media, making it possible to address the people of other nations through heads of state and through state borders; the qualitatively new technical possibilities for the dissemination of information and ideas; the growing opportunities for operations of a misinformative nature, etc." (p 227).

The author presents concrete examples to show how the significance of the ideological factor increases at a time of detente, signifying the replacement of military forms of worldwide class confrontation with peaceful forms.

On the political level, this takes the form of admissions on the part of statesmen in the capitalist countries, including the United States, of the objective inevitability of ideological struggle and a desire to impart "moralistic overtones" to certain foreign policy actions; on the theoretical level, this causes the replacement of the theory of "deideologization" with the theory of "reideologization," which is aimed at the intensive use of the ideological factor, particularly in foreign policy.

The book contains thorough substantiation of the thesis that "the ideological struggle is becoming increasingly complex, both in terms of the composition of the theories involved in international relations and in terms of its methods and means--the augmented technical possibilities for influencing a large reading, listening or viewing audience" (p 41).

One of the author's indisputable successes is the chapter in which he examines the role of the bourgeois state in the ideological struggle in international affairs. In this chapter, he has been able to describe all of the multifaceted present and future possibilities of the enormous technical system in the West, which is a structurally well-developed and powerfully stocked mechanism of ideological struggle, and to reveal the major tendencies in its development (the growing relationship of the mass media with large capital, the centralization of state control, the enlargement of the research base and the perfected implementation of ideological programs). And if this mechanism should skid, misfire or not live up to the hopes that have been placed in it, this demonstrates, V. Larin says, the effect of the objective natural laws governing the development of contemporary capitalist society (p 122).

The author singles out problems of war and peace, the role and significance of the socialist countries, economic cooperation and relations with the developing countries as the basic and major tendencies in the ideological struggle and subjects some of the most fashionable new theories to severe criticism--the theories of the "structure of peace," "ideological pressure" on the socialist countries, the "restriction" of the economic development of these countries, "selective trade," "interdependence" and new variations on the theme of "power politics." In this connection, the author pays particular attention to the debates over detente and the struggle over the Conference on Security and Cooperation in Europe.

V. Larin has been able to take a new approach to the analysis of these complex topics and to choose the appropriate key to disclose the internal mechanism of the ongoing processes in the area of imperialist foreign policy ideology. In describing the evolution of the forms and methods of ideological struggle in the sphere of international relations during the 1960's and 1970's, the author puts forth the profoundly substantiated argument that the process by which imperialist ideological premises are being adapted to the realities of the contemporary world is of a forced nature and that this process distinctly reflects the constant growth of socialist forces and restriction of imperialist potential in world affairs.

The author warns against underestimation of the means of ideological ideological influence at the disposal of the United States and the experience accumulated by this nation in the manipulation of public opinion. The author shows that the United States serves as the chief purveyor of ideas in the capitalist world. He displays great knowledge of the matter in his examination of the mechanism by which the U.S. federal system, including the presidential office, interacts with the press and the changes in the activities of the U.S. Information Agency (USIA) with consideration for the changes that have occurred in the world.

In our opinion, it would be wise--and the content of V. Larin's book serves as conclusive evidence of this--to study bourgeois foreign policy theories and their internal contradictions, disclosing their realistic elements as well as their other, militant and aggressive aims. And it is true that a simple examination of the basic foreign policy theories current in the United States, which assess the balance of forces in the contemporary world, the forms and means of global confrontation between the two systems and the prospects for world development, conclusively shows that the ideas serving as the basis of U.S. foreign policy, which have remained the same in their class, imperialist essence, are revealing their internal schizophrenia more and more graphically now that the balance of forces in the world is changing in favor of socialism.

V. Larin's book is rich in food for thought and will serve as a valuable help to all those engaged in the study of U.S. foreign policy and international relations.

8588
CSO: 1803

UNSOLVED PROBLEMS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 89-90

[Review by I. A. Kedrenovskaya of the book "Women and the American Economy. A Look to the 1980's," Englewood Cliffs, Prentice-Hall, 1976, 177 pages]

[Text] The massive influx of women into the labor market has reached a record high in the United States. While 5 million American women worked as hired laborers at the beginning of the century, there are now already approximately 34.6 million, which constitutes two-fifths of the total labor force in the nation, and a greater percentage of these are married women with small children.

What are the factors lying at the basis of this process? How will the abundance of women in the labor market affect the economic potential of the nation? What is the status of the working American woman? What changes does the present economic situation hold in store for working women? These and many other questions are examined in the book "Women and the American Economy. A Look to the 1980's." The book was edited by Juanita Kreps, who is now the secretary of commerce.

The publication of the work was timed to coincide with the last meeting of the American Assembly at the end of 1975. This unofficial forum was established in 1950 by President Eisenhower at Columbia University for the regular investigation of the most urgent problems in U.S. domestic and foreign policy. Economists, historians, sociologists, statesmen and public figures took part in compiling this work.

W. Chafe, professor at Duke University, describes the historical prospects of the changing role of women in the American society. He stresses the fact that there have always been two moral codes and two sets of behavioral standards in the United States--one for respectable white women and the other for poor and black women. In confirmation of his statements, he cites figures attesting to the fact that the poorest women were already being extensively exploited even at that time. At the end of the 19th century, many years after the emancipation of the slaves, more than 1 million of the 2.7 million

black women were hired laborers and, according to the 1900 census, 41 percent of colored women worked while only 17 percent of white women--mainly immigrants--were hired laborers (p 9).

As the scientific and technical revolution developed, more and more women, including white middle-class women, entered the labor market. The author presents a curve showing the rise in the number of working women and analyzes the reasons for their entry into the labor market, society's changing attitudes toward this new phenomenon, the discrimination of women and their fight for equal rights. We must agree with the author when he concludes that the problem of the equality of the sexes is now an important social problem in America and that the resolution of this problem will largely determine the future development of society.

A considerable part of the book is devoted to an analysis of the present economic situation. Many authors justifiably express serious worry over the fact that the high level of unemployment might deprive women of all that they have won in recent years and will make their position in the labor market much worse, since the shortage of jobs will give rise to intensive competition during the next decade. They express the belief that the employment problem will not be solved through an increase in the number of jobs, but through an artificial reduction in public economic activity, that is, a reduction in the number of workers. Under these conditions, it is hardly likely that the government will encourage women to work. "Women should not suffer from a constantly high level of unemployment," says Martha Griffiths, criticizing government policy. She is a former member of the House of Representatives, one of the most zealous defenders of women's rights in the U.S. Congress and an active participant in the women's movement (p 151).

The fact that women are spending more and more of their time working outside the home is having a considerable effect on their families and on the institution of marriage as a whole. These problems are the subjects of studies by K. Taeuber, professor of sociology at the University of Wisconsin, economist I. Sawhill and sociologist C. Moore. On the basis of statistics and demographic surveys, the authors attempt to determine the tendencies toward changes in the size of the family in the future, family stability, the reasons for marriage, the age of persons getting married, the division of housework, etc. In this connection, many authors are concerned with the question of childcare--an important issue for working American women. This question has acquired particular significance in recent years, since the number of working mothers with children in the 3-6 age group has risen considerably. At present, the book points out, less than 10 percent of the working mothers make use of the services of kindergardens and nurseries.

The analysis of the laws on equal opportunities for women is of particular interest. Many concrete examples of the successful application of these laws in practice are cited in the work. In their discussion of the progress in this area within a relatively short period of time, however, the authors are forced to admit that the status of women in the economic sphere has remained the same and has even become worse in some cases.

CURRENT ISSUES IN U.S. DEFENSE POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 91-101

[Conclusion of serialized translation of excerpts of the book "Current Issues in U.S. Defense Policy," published by the Center for Defense Information, edited by David T. Johnson and Barry R. Schneider, New York, Praeger, 1976]

[Not translated by JPRS]

CSO: 1803

ECONOMICS AND TECHNOLOGY OF RECYCLING WASTE MATERIALS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 104-113

[Article by V. I. Sokolov]

[Summary] The U.S. Congress has passed a series of new laws on environmental protection in recent years, including the Resource Conservation and Recovery Act of 1976, which provides for the investigation of methods for the mass utilization of production and consumption waste materials. Many of the scientific ideas on environmental protection have been borrowed from nature. One of the indisputably most important of these is the idea of recycling. The massive scales of the production and accumulation of waste not only endanger human health, but also threaten the loss of aesthetic, recreational and other natural resources. The cost of the collection and disposal of urban waste is constantly rising and is now only surpassed by municipal expenditures on public education and highway construction. The disposal of 1 ton of waste in a city like New York can cost up to 36 dollars. According to estimates, expenditures on the disposal of urban waste will double by the 1980's and will amount to more than 10 billion dollars a year. The situation is also complicated by the fact that there is a shortage of land for the dumping and burying of waste in the large American cities and their suburbs.

The increase in production waste materials is naturally accompanied by an increase in their content of valuable substances. It is essential that these substances be recycled. In 1970, American imports of raw material were 4 billion dollars higher than its exports and, by the end of this century, the "mineral deficit" may cost the nation 60 billion dollars.

Industry will gain certain advantages from the use of recycled waste products. In some types of production, the replacement of primary raw materials with recycled materials considerably reduces environmental pollution. Production processes involving recycled materials require less energy. Besides this, production and consumption waste can serve as a source of energy in itself. There is also an ecological benefit: American experts estimate that each recycled ton of paper saves the lives of 17 trees.

Five basic types of technological processes are now being investigated in this connection. The first involves the use of waste as a source of energy by means of burning it to produce steam, electric power, etc. The second type of process will recover material resources by separating individual elements of waste products from one another (paper, metal, glass and so forth). The third area of research concerns processes during the course of which waste materials will be subjected to thermal decomposition for the production of gas and other types of fuel. Chemical processes are also being developed for turning waste into protein, glucose and other organic substances. Finally, the last of these main areas is composting--the production of fertilizers from the organic elements of waste.

8588
CSO: 1803

UNITED STATES NATIONAL SECURITY COUNCIL

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 9, Sep 77
pp 114-122

[Article by A. I. Filatov]

[Text] The National Security Council--a presidential advisory organ--occupies an important place in the foreign policy machinery of the United States. During the 30 years of its existence, its significance and role have changed with each successive administration. During these years, an entire NSC system has taken shape. Since the beginning of the present, Carter Administration, the reorganizational changes in the machinery for the formulation and control of foreign policy have mainly taken place in the NSC system. A brief excursion into history will provide us with a better understanding of the NSC's role in the present administration.

This article attempts to explain the role of the NSC during the administrations of six U.S. presidents and to describe the general and specific features of its activity during the postwar period.

The National Security Council was established in 1947 in accordance with the National Security Act (this act also served as the basis for the establishment of a single defense department and the CIA), primarily as an organ for the "integration of domestic, foreign and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security."¹

In the United States, the term "national security" is used in the broad sense to signify the total group of external and, to a certain extent, internal conditions necessary for the preservation and reinforcement of American imperialism's position in the world arena. In the practical sense, this category reflects the close interdependence of military and political strategy in the United States and integrates power and politics into a single entity.

On 27 September 1947, the National Security Act came into effect. According to the act, the permanent members of the NSC were to be the President, the

secretary of state, the secretary of defense, the heads of the three military departments and the chairman of the National Security Resources Board. From the very beginning, the decision was made to invite the heads of other departments and agencies to all meetings of the NSC when matters concerning their jurisdiction were to be discussed. The director of the CIA was given the responsibility of attending NSC meetings in the capacity of an adviser. The numerical preponderance of the military in the formal membership of the NSC attested to the priority given to military means and methods over traditional diplomatic means in the postwar foreign policy course of the United States.

To secure the activities of the council, the act of 1947 provided for a council staff, headed by an executive secretary appointed by the President. The executive secretary was authorized to hire staff personnel.

Probably the most important aspect of the establishment of the NSC was the formation of a permanent staff of experts on international affairs under the direct jurisdiction of the President. In this way, a foreign policy organ was established that competed to a certain degree with the State Department and, at the same time, was on a higher level and much closer to the "President's ear."

During the Truman Administration, Congress passed several amendments to the act of 1947. In particular, the secretaries of the Army, Air Force and Navy lost their seats on the NSC, and the chairman of the Joint Chiefs of Staff was authorized to attend NSC meetings as an adviser. At this same time, the U.S. vice-president was made a permanent member of the NSC.² Another important change was the authorization of the President to temporarily grant NSC membership rights to the heads of other executive boards and agencies.

During the first years of the NSC's existence, President H. Truman did not pay any attention to it. Up to 1950, he attended only 12 of its 57 meetings. Clark Clifford, his aide, explained this in the following way: The President "was informed early each morning about the events concerning national security, and he regarded the NSC meetings as a boring repetition of these briefings."³

The beginning of the American aggression in Korea in 1950 led to the closer coordination of government military and foreign policies and put an end to H. Truman's indifferent attitude toward the NSC. A directive issued that same year established a foreign policy course that was followed for almost 20 years, the main aspects of which were cold war and the unlimited growth of defense appropriations.⁴

The next period in the activities of the NSC began when President D. Eisenhower came to the White House in 1953. The new administration reviewed the official foreign policy doctrine and slogans of the United States in connection with the continuously growing strength of the socialist system, the intensification of the revolutionary and national liberation

struggles and the collapse of U.S. foreign policy ventures. The result of this review was the doctrine of "massive retaliation," which was aimed at more intense struggle against communism and the expansion and reinforcement of American imperialism's position within the capitalist world. The doctrine of "massive retaliation," which was proclaimed by Secretary of State J. F. Dulles in 1954, was formalized in NSC Paper 162/2 in 1953. Its openly aggressive course called for the reconstruction of the military-political system. D. Eisenhower established a complex, well-organized NSC system, similar to the General Staff. It was given many responsibilities--from policy-making to control over its implementation.

On the basis of recommendations prepared by R. Cutler, the President's administrative assistant, the position of special assistant to the President for national security affairs was created in March 1953. NSC meetings began to be held weekly with all of the proper formal preparations.

D. Eisenhower divided foreign policy activity into two organizationally separate forms: policy-making and the coordination of operations. The first of these was made the responsibility of the newly established Planning Board, the membership of which duplicated the NSC membership on the secretarial level.

Control over the implementation of presidential decisions was made the responsibility of the Operations Coordinating Board (although it was established in September 1953, it was only included as part of the NSC system in 1957), the members of which were the under secretary of state for political affairs, the assistant secretary of defense, the director of the CIA, the director of the Information Agency, the director of the Agency for International Development and the President's advisers on national security, cold war planning and operational coordination. The council was headed by the under secretary of state.

One of the important functions of the NSC during the years of the Eisenhower Administration was the annual publication of a paper on basic policy in the area of national security. This was a political directive for all government institutions connected with the implementation of foreign and military policies. According to General M. Taylor, who was then the Army chief of staff, this was a document "of so broad a nature and expressed in such broad terms that it could only serve to limit control in its practical implementation. When it is being drawn up at sessions and talks, the most urgent national security matters are slurred over...and the final text is therefore open to a multitude of interpretations."⁵ The text of these papers was almost the same from year to year. During the last years of the Eisenhower Administration, however, NSC meetings held to discuss these papers represented a field of battle between advocates of the doctrine of "massive retaliation" and the supporters of the new doctrine of "flexible response."

The President devoted a great deal of his attention to NSC meetings at that time and attended 306 of the 338 held between January 1953 and June 1960.

But the "NSC system did not represent an instrument of presidential personal control."⁶ The bureaucratization of the process of foreign policy activity and the existence of "departmentalism" made it virtually impossible for the council to perform its chief duty--the planning of foreign policy. This was again concentrated in the Department of State and Department of Defense. "The carefully organized machinery of policy-planning was obviously more effective in burying major problems than in shedding light on them,"⁷ states I. Destler. In general, according to several authors, despite the seemingly logical process by which national strategy was worked out by the NSC and military strategy by the Joint Chiefs of Staff, this system suffered a complete fiasco for several reasons, including the fact that the council was not able to grasp the major aspects of defense and issue clearly formulated directives to the armed forces.

NSC activity was frequently and quite fiercely criticized by the Senate Subcommittee on National Policy Machinery. All of this called for a new approach on the part of the Democratic administrations of J. Kennedy and L. Johnson to the entire NSC system.

Less than a month after his inauguration, J. Kennedy did away with the Operations Coordinating Board, and later with the Planning Board as well, transferring these functions to the secretary of state and the regional division heads who were his assistants. This eliminated the administrative differences between planning and operations. The next step was to put an end to the publication of the NSC's annual general directives.

Special task forces, formed for the investigation of specific matters, became an important instrument in the engineering of foreign policy and "big" strategy during those years. Their members were representatives of the various agencies and they were usually headed by the assistant secretary of state for the corresponding region.

The President took an active part in NSC meetings. The office of the assistant for national security affairs was moved to the West Wing of the White House, closer to the President's office, and the authority of this assistant as a coordinator of matters connected with national security was augmented. Daily meetings of the NSC staff, attended by White House foreign policy advisers and representatives from various agencies, became the rule. M. Bundy, J. Kennedy's national security adviser, recruited talented men to work on the NSC staff; these individuals did not come to the council from government organizations and therefore did not have any obligations to any particular department. The NSC staff consisted of only 10 researchers and was organized on a regional basis. Its members had to also be members of the task forces. They took part in the preparatory work for NSC meetings. Some of them had direct access to the President as well. "Most of the influence of Bundy and his staff derived precisely from this ability to 'close the circle'--to bring individual leaders together in groups and combine their efforts,"⁸ says Destler.

After the failure of the American aggressive actions in the Bay of Pigs in April 1961 and, particularly, during the time of the Caribbean crisis in October 1962, when Washington's adventuristic policy in its relations with Cuba threatened direct military confrontation between the United States and the USSR, which had taken a decisive stand in defense of the freedom and independence of Cuba, J. Kennedy began to move away from "personal diplomacy" and to confer with his closest friends and associates. The notorious "Executive Committee of the NSC" came into being. In principle, it had little relation to the NSC and was made up primarily of persons who were personally selected by the President on the strength of their loyalty to him. In addition to Secretary of Defense R. McNamara and Secretary of State D. Rusk, this group included Robert Kennedy, the President's brother, M. Bundy, special assistant for national security affairs, Secretary of the Treasury D. Dillon, Chairman of the JCS M. Taylor, CIA Director J. McCone, Under Secretary of State G. Ball, Deputy Secretary of Defense R. Gilpatric, Ambassador-at-Large L. Thompson and T. Sorenson, the President's special counsel. A. Stevenson, U.S. ambassador to the United Nations, D. Acheson, R. Lovett and J. McCloy also took part in the work of this group. This group of advisers, as can be judged, had a certain restraining influence on the President, urging him to make realistic decisions and to settle disputes by means of negotiation.

President L. Johnson retained the principles and methods of the organizational structure set up by J. Kennedy. It was significant that three of the chief posts in the Johnson Cabinet were held by members of the previous administration. These were R. McNamara, D. Rusk and M. Bundy. The "Tuesday brunches" with the President, attended by these persons, became the main "organ" of foreign policy making. The main topic of intense discussion during the years of the Johnson Administration was the American war in Vietnam. Later, the CIA director, the chairman of the JCS and the President's press secretary also began to take part in these discussions.

At that time, the direct influence of the NSC staff on the decision-making process diminished, despite the fact that its membership was increased to 16 persons in 1967. The appointment of W. Rostow to the post of the President's special assistant for national security affairs in the beginning of 1966 had a significant effect on this. In contrast to M. Bundy, who had rarely allowed himself to express his personal views, W. Rostow tried to force his own extremely "hawklike" views on the President. His appointment disrupted the community of goals of the President's foreign policy advisers. Unlike M. Bundy, the new presidential assistant was not looked up to by the members of the Johnson Cabinet.

On the whole, three stages can be distinguished in the history of the NSC from 1947 through 1969: the establishment of the NSC, within the framework of which the President and his advisers were free to organize a system of interdependence corresponding to their personal wishes and interests; the creation of the post of special assistant to the President for national security affairs--this increased the role of the White House staff in the

process of presidential decision-making on foreign policy matters and marked the beginning of a gradual decline in the influence of the secretary of state. Although the membership and functions of the NSC changed, it became more and more of a presidential foreign policy staff and less of a "neutral" coordinating organ; finally, the technical, informational and administrative potential of the NSC staff was considerably augmented. In 1961, a "situation room" was set up in the White House as a rapid-response informational and administrative center of communications under the control of the President and his national security adviser.

New technical, administrative and supervisory opportunities became accessible to the President. At that time, the position of the State Department as the chief organ for the coordination of foreign policy became even weaker.

The end of the 1960's and the beginning of the 1970's were marked by a considerable increase in the political and economic strength of the Soviet Union and the other nations of the socialist community, the growth of the national liberation movement, the creation of new independent states and the intensification of the competitive struggle between nations in the capitalist system.

After winning the 1968 election and assuming the presidency, R. Nixon said the following in recognition of the new balance of forces in the world: "We can see that the entire character of international life is changing. We must understand these changes, define America's role for the coming period and put a policy into effect to promote this role. Since we have to work out a new foreign policy for the coming era, we have had to begin with a structural revision of the policy-making process."⁹

The foreign policy course of the United States at the end of the 1960's and the beginning of the 1970's was reflected in the new "Nixon Doctrine," which represented a "pragmatic conservative reaction to the changes occurring in the world, characterized by attempts to bring the level of American possibilities in line with some of the realities of international life."¹⁰

The views of R. Nixon, who felt it was necessary to increase the authority of the White House, including its power in foreign policy decision-making, coincided with the views of Harvard Professor H. Kissinger, who was appointed the President's assistant for national security affairs on 2 December 1968. H. Kissinger was instructed to compile a plan for the reorganization of the NSC.

On 6 February 1969, in Paper No 521, President R. Nixon put a new NSC system into effect. The paper defined the role of the National Security Council as the "chief forum for the investigation of problems in national security policy requiring resolution by the President."¹¹ The reorganization of the system included three basic changes: The first was the transformation of interdepartmental regional groups and military policy groups into inter-departmental groups of the NSC under the supervision of the under secretary of state; the second was the establishment of the possibility of forming

special-purpose temporary NSC groups; and the third was the establishment of an NSC analysis group, headed by H. Kissinger, for the study of documents submitted by the interdepartmental groups, special-purpose NSC groups and agencies prior to their transmission to the NSC. The membership of this group was later elevated to the level of under secretaries and it was renamed the Top-Level Policy Analysis Group.

An Under Secretaries Committee (USC) was also set up under the chairmanship of the deputy secretary of state to investigate matters turned over to this committee by the analysis group, as well as operational issues not requiring investigation on the level of the President or NSC.

Therefore, the analysis group was given extensive authority, controlling the flow of documents and directing them to four different levels, depending on their degree of importance--the President, the NSC, the USC or the inter-departmental groups. Besides this, since it had jurisdiction over two NSC agencies headed by representatives of the State Department, it gained control over the relations between the higher and middle levels of the department. To some degree, this marked the beginning of a new distribution of power in U.S. foreign policy machinery.

During 1969, the President's national security adviser began to play an even greater role, when he headed four new committees in the NSC system. Each of these committees dealt with a particular important area of policy and was established in accordance with the foreign policy aims proclaimed in the "Nixon Doctrine."

A verification group, which was made up of departmental representatives on the level of under secretaries, was formed to investigate issues connected with disarmament and arms control.

An operational group on Vietnam was made up of the President's national security adviser, the under secretary of state, the assistant secretary of defense, the director of the CIA and the chairman of the JCS and was mainly formed to study the actual situation in Vietnam and prepare recommendations for the "Vietnamization" of the war.

A committee for the analysis of defense programs, established on the under-secretarial level, was given the responsibility of bringing U.S. internal resources in line with its external aims and of coordinating U.S. military and political activity abroad. In addition to representatives from the departments in the NSC, its members included the director of the Office of Management and Budget and the chairman of the Council of Economic Advisers to the President.

After the incident involving the American reconnaissance plane shot down over the DPRK in April 1969, a Washington group for special actions was established; its members were the under secretaries of all of the same departments. It was the chief White House organ at times of "crisis" and was to plan and coordinate actions in the event of crisis.

As a result of the reorganization of the "intelligence community," a committee on intelligence affairs was formed as part of the NSC system and occupied the top level of the entire hierarchy of information analysis agencies in the foreign policy machinery of the United States. The chairman of this committee, just as all of the others mentioned above, was H. Kissinger, President's assistant for national security affairs. Besides this, he also headed the well-known "Committee of 40," which was part of the NSC and was engaged in the approval of the secret operations of the CIA and other agencies.

At the top of this entire system was the National Security Council, the permanent members of which, according to law, were the President, the vice-president, the secretary of state, the secretary of defense and the director of the Office of Emergency Planning; its permanent advisers were the director of the CIA and the chairman of the JCS. NSC meetings were always attended by the President's national security adviser, who headed the staff of the NSC system. In 1973, the Office of Emergency Planning was abolished and the number of permanent NSC members dropped to four.

"The purpose of the Nixon-Kissinger NSC system," says W. Kohl, who worked on the NSC staff during 1970-1971, "consisted in the centralization of decision-making on major issues of foreign policy in the White House,"¹² rather than through the bureaucratic staff.

The focal point of this entire system was the network of interdepartmental committees, most of which were headed by H. Kissinger. Another important element of this system was the NSC staff, which increased to almost 132 between 1969 and 1976 under the supervision of H. Kissinger.¹³ The staff performed four types of functions: day-to-day operations, programming, planning and clerical work in the office of the President's national security adviser.

Representatives of the academic community and the largest American corporations were also encouraged to work on the council staff as counsels. During 1974-1975 there were 35 counsels on the NSC staff, 23 of whom had academic degrees. The NSC staff frequently enlisted the aid of the entire staff of scientific establishments for the investigation of certain matters by signing the proper contracts with them. For example, during 1973-1974, contracts were signed with the Institute of Foreign Policy Analysis, the Hudson Institute and the Rand Corporation.

As for the activities of the NSC system and its organs, during the first years of the Nixon Administration the system acted in accordance with this plan: The departments took part in the preparation of policy papers for review by the NSC, including the formulation of alternatives, in the inter-departmental committees and task forces and could express their views at NSC meetings. But NSC meetings attended by the full membership were held less and less frequently: 37 in 1969, 21 in 1970 and only 7 during the first 6 months of 1971.

"In general," says I. Destler, "Nixon's NSC was more like Kennedy's, an organ existing for the sake of form, which was intended to symbolize the seriousness of the approach to policy making and to legitimize the activities of the staff operating under its auspices."¹⁴

Another American researcher of NSC activities, W. Kohl, listed the following types of issues and the methods used to make decisions on them:

The most important foreign policy issues, on which decisions were made by an extremely limited group under the personal supervision of H. Kissinger; important issues settled with the aid of NSC researchers (for example, the strategic arms limitation talks with the USSR); secondary matters, the decisions on which were made within the NSC system, on which H. Kissinger did not have any firm views or to which he attached little importance--they were settled on the basis of departmental recommendations and were not brought to the attention of H. Kissinger due to a lack of time; matters settled outside of the NSC system because they were either of only partial interest to H. Kissinger and the NSC or were simply outside of their jurisdiction (for example, matters of foreign economic policy, science and technology).¹⁵

Another important part of foreign policy activity turned out to be difficult for H. Kissinger and his staff--namely the implementation of presidential decisions. This was due to the absence of a "central power" in the various foreign policy departments on which Kissinger could rely. After his appointment to the post of secretary of state, the foreign policy-engineering and decision-making center moved even further away from the NSC committees toward a small group of chief advisers, who were appointed by Kissinger to important posts in the State Department. The NSC staff was still in existence, but it was weak.

This NSC system and its functioning underwent virtually no changes during Ford's time, who came to the White House in August 1974 after the Watergate scandal. The division of the posts of secretary of state and assistant to the President for national security affairs in November 1975, when Lieutenant General B. Scowcroft, considered to be Kissinger's "man," was appointed to the second post, also made little change in the NSC system. Another one of the innovations of the Ford Administration was the inclusion of the director of the Arms Control and Disarmament Agency as a permanent adviser to the NSC in November 1975. Just as in the past, however, the chief figure in the area of foreign policy was still the secretary of state.

Other attempts were made to reorganize the NSC system during Ford's term in the presidency. For example, there was a reform of the intelligence agencies in February 1976. The committee on intelligence affairs of the NSC was dissolved and a committee on overseas intelligence operations was established; the members of this new committee were the director of the CIA (as chairman), the assistant secretary of defense for intelligence and the deputy assistant to the President for national security affairs. But this was more of a step toward the concentration of control over intelligence organs in the hands of the CIA director.

In summarizing the results of the existence and activities of the NSC and its system during 1969-1976, we should note the following: This system was aimed at the further concentration of the entire process of U.S. foreign policy activity in the White House, primarily at the reinforcement of presidential control.

The coming of a new White House occupant also signified the reconstruction of the NSC system that had taken shape during the Nixon and Ford administrations. As we know, even during his campaign, Carter made one of the main points in his program the issue of the reorganization of federal administration, including the process of the engineering and implementation of foreign policy.

On 22 January 1977, J. Powell, White House press secretary, announced the reorganization of the NSC system according to Carter's wishes; Z. Brzezinski, the President's national security adviser who was appointed the head of the NSC (just as Kissinger, this man is a prominent representative of the academic community who has gained a reputation as one of the outstanding ideologists of contemporary capitalism), defined his duties in the following way: "I do not feel that I have been appointed to make policy, but primarily to supervise the President's operational staff and to simplify decision-making.... I feel it is my job to prove that collective efforts can be effective in the extremely complex world of political and economic problems, as well as problems of security."¹⁶

As a result of this reorganization, the earlier seven committees were abolished. In place of these, two committees were formed to assist the NSC in the performance of its functions.

The first is a policy analysis committee, made up of the secretary of state, the secretary of defense, the secretary of the Treasury, the director of the CIA, the chairman of the JCS and the President's national security adviser. It has no permanent chairman; appointments will depend on the topic of discussion. The activities of this committee include the examination of long-range plans. An executive order by the President of 13 May 1977 made this committee responsible for the control and distribution of the budget and resources of the intelligence community.¹⁷ When these matters are discussed, the chairman is the director of the CIA, and the committee members are the deputy secretary of defense, the deputy assistant to the President for national security affairs and a representative of the secretary of state.

The second is a special coordinating committee, which is also made up of the secretary of state, the secretary of defense, the director of the CIA, the chairman of the JCS and, with observer status, the attorney general and the director of the Office of Management and Budget. Z. Brzezinski, the President's national security adviser, was appointed the chairman of this committee. Its activities include the investigation of aspects of current policy concerning crisis situations and secret intelligence operations, as well as matters known as "interlapping" issues, that is, issues concerning the activities of several departments (for example, the issue of arms

limitation). President Carter has included the secretary of the Treasury among those attending NSC meetings for the purpose of the better coordination of aspects of foreign economic policy.

According to White House officials, the "new NSC structure presupposes the re-expansion of the powers of offices and departments, the assignment of responsibility for each concrete matter to one particular institution and the provision of the President with opportunities to participate personally in this system whenever he wishes."¹⁸

In accordance with the President's promise to reduce the federal bureaucracy, Z. Brzezinski cut the number of researchers down to 30, placing emphasis on their "creative ability and level of scientific training." D. Aaron, who had previously worked with Brzezinski in the organization of the new system the hiring of personnel, was appointed his deputy.

The NSC staff, Z. Brzezinski announced, should perform three major functions: participate daily in the coordination and implementation of policy; conduct in-depth analysis of defense expenditures, weapons systems and general defense programs; and serve the President as a "brain trust."¹⁹ It prepares two types of presidential documents: analytical memoranda and directives. The latter are sent to the proper agencies after the President has made his decision.

The new system immediately began intensive work. By the end of January, the number of memoranda had already reached 16. They included research on problems in the construction of American armed forces, the possibility for a complete underground nuclear test ban and alternative proposals to the Soviet Union on strategic arms limitation.

It is still difficult to determine the role the NSC and its system will play in the Carter Administration or the future location of the "center of power" in the engineering and implementation of foreign policy because of the strong position of Secretary of State C. Vance. Conflicting reports have also been heard about the President's national security adviser. All of his actions are dominated by various warnings on the part of President Carter and Brzezinski's own statements about the dangers inherent in the excessive augmentation of the power of individual leaders or groups.

As renowned American correspondent M. Marder points out, however, "only time can confirm or deny the fear that Z. Brzezinski may follow the example of H. Kissinger and turn the post of national security adviser into a spring-board for the acquisition of commanding influence in the government."²⁰

Judging by reports in the American press, the reorganization of the NSC has not been completed as yet. It is possible that other federal agencies concerned with matters of domestic and foreign policy may also be reorganized. The future will show whether the new President will be able to cope with the bureaucratic routine that has been characteristic of the Washington federal

staff and has served as a pretext for complaints by virtually all American presidents of the postwar period.

Although some American historians feel that the establishment of the National Security Council was largely a reaction on the part of the highest levels of the Washington bureaucracy to the style of foreign policy management characteristic of President Franklin D. Roosevelt, with his tendency to make independent decisions on matters of military policy during World War II, there were also certain extremely weighty objective reasons for the emergence of this kind of top-level coordinating organ in the system of U.S. government machinery. It would evidently be wise to emphasize this fact once more. One of the key reasons, as was mentioned above, was the radical change in the entire international situation after World War II. The United States, which had assumed the leading position in the capitalist world and the role of the "world's policeman," relied primarily on military strength in the fight against socialism and the national liberation movements. On 4 January of this year, the INTERNATIONAL HERALD TRIBUNE reported that, according to a Brookings Institution study, the United States has used military force for the exertion of foreign policy pressure in at least 215 cases during the 30 years since the end of World War II. The expansionist strategy of American imperialism, the need to react quickly to the many "challenges" the United States was encountering in all regions of the world, and the needs of the cold war, which had already been started by the United States at that time--all of this demanded the better coordination of U.S. foreign policy activity. The National Security Council was intended to satisfy this demand and fill the "vacuum."

Therefore, we can state that, during the 30 years of its existence, the NSC has not always played the same role in the machinery for the development and implementation of U.S. policy, and has even less frequently performed the functions of a presidential advisory organ, as was planned by its founders. The staff set up to serve the council and the individual heading this staff--the assistant to the President for national security affairs--have played a much greater role than the council itself. During the last 10 years, it has been this presidential assistant, and not the secretary of state (with the exception of H. Kissinger when he occupied this post), who has been the President's chief counsel on foreign policy matters.

This was also the purpose served by the NSC staff, the head associates of which have frequently had greater influence than the members of the NSC.

FOOTNOTES

1. "National Security Act of 1947," Committee on Armed Services, U.S. House of Representatives, Wash., 1973, p 2.
2. P. Anderson, "The President's Men: White House Assistants of F. D. Roosevelt, H. S. Truman, D. D. Eisenhower, J. F. Kennedy and L. B. Johnson," N.Y., 1969, p 202.

3. Ibid., pp 204-205.
4. J. Donovan, "The Cold Warriors; A Policy Making Elite," Lexington (Mass.), 1974, p 81.
5. M. Taylor, "The Unreliable Strategy," Moscow, 1961, p 102.
6. "Commission on the Organization of the Government for the Conduct of Foreign Policy," Appendices, vol 6, Wash., 1975, p 4.
7. I. Destler, "Presidents, Bureaucrats and Foreign Policy: The Politics of Organization Reform," Princeton, N.J., 1972, p 8.
8. Ibid., p 103.
9. "Nixon: The Second Year of His Presidency," President's Message on Foreign Policy for the 1970's, CONGRESSIONAL QUARTERLY, Wash., 1971, pp 54-A, 56-A.
10. "Doktrina Niksona" [The Nixon Doctrine], Moscow, 1972, p 27.
11. DEPARTMENT OF STATE NEWS LETTER, February 1969, p 6.
12. W. Kohl, "The Nixon-Kissinger Foreign Policy System and U.S.-European Relations: Patterns of Policy-Making," WORLD POLITICS, October 1975, p 7.
13. For a more detailed discussion, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 2, 1970, pp 112-116--Ed's note.
14. I. Destler, Op. cit., p 125.
15. W. Kohl, Op. cit., p 10.
16. U.S. NEWS AND WORLD REPORT, 21 February 1977, p 28.
17. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, 16 May 1977, p 720.
18. INTERNATIONAL HERALD TRIBUNE, 1 February 1977, p 2.
19. THE NEW YORK TIMES, 16 January 1977, p 10.
20. INTERNATIONAL HERALD TRIBUNE, 1 February 1977, p 2.

8588
CSO: 1803